

TX CASE

Hercules

CR FY97-058

Individuals

BGA

## SAMPLE 382.091(a)(1)(E)

Larry Eugene Ballinger hereinafter styled Defendant, on or about the 6th day of December, 1996, and before the presentment of this indictment, in the County and State aforesaid, did then and there intentionally and knowingly with respect to his conduct violate a rule issued under Chapter 382 of the Texas Health and Safety Code, namely Texas Administrative Code Title 30 Section 115.541(h)(1), by degassing or cleaning a marine vessel with a nominal storage capacity of 10,000 barrels or more, namely Barge #ETT112, that contained a VOC with a vapor partial pressure greater than or equal to 0.5 pounds per square inch without processing the vapors through a vapor control system.

**ELEMENTS:**

County

State

Intentionally/knowingly with respect to his conduct

Violate a rule issued under Chapter 382

by degassing/cleaning

a marine vessel

storage capacity

contained a VOC with greater than 0.5 psi

without routing vapors through a vapor control system

## SAMPLE 382.091(a)(3)

Larry Eugene Ballinger hereinafter styled Defendant, on or about the 6th day of December, 1996, and before the presentment of this indictment, in the County and State aforesaid, did then and there intentionally and knowingly make or cause to be made a false material statement, representation, or certification in, or omit material information from a report required to be maintained by a rule adopted under Chapter 382 of the Texas Health and Safety Code, to wit: representing in a Barge Cleaning Report required to be maintained by 30 TAC 115.546, dated?, for Barge # ETT112 that Normal Butanol was present when in fact it was not.

County

State

intentionally/knowingly make a false material statement: Normal Butanol instead of Cyclohexane

false

material

from a report: Barge Cleaning Report

required to be maintained by a rule adopted under 382: 115.546

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**IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS:**

THE GRAND JURY, for the County of Brazoria, State of Texas duly selected, empaneled, sworn, charged, and organized as such at the October - March Term 1997/1998, of the 23rd. Judicial District Court for said County, upon its oath presents in and to said court at said term that Larry Eugene Ballinger, hereinafter styled Defendant, on or about the 5th day of May, 1997, and before the presentment of this indictment, in the County of Brazoria, State of Texas, with intent to defraud and harm the Texas Natural Resource Conservation Commission and the State of Texas, did then and there make, present and use a governmental record with knowledge of its falsity, to wit: a Texas Natural Resource Conservation Commission Barge Cleaning Report signed by ~~Larry Eugene Ballinger~~? And dated ?, which reported that on DATE?, Barge # ETT112? contained Normal Butanol, when in truth and in fact Barge # ETT112 did not contain Normal Butanol on DATE?.

against the peace and dignity of the State.

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Foreperson of the Grand Jury

**TABLE I - TEXAS HEALTH & SAFETY CODE (THC)  
TEXAS PENAL CODE (TPC) OFFENSES  
HERCULES MARINE SERVICES CORPORATION  
CASE NUMBER CR-FY97-058**

DATE	BARGE#	FAILURE TO CONTROL EMISSIONS THC 382.091(a)(1)(E)	FALSE RECORDS THC382.091(a)(3)	EVIDENCE TAMPERING TPC 37.09
11-30-96	ETT 110	X		
12-06-96	ETT 112	X	X	
12-17-96	ETT 115	X		
01-10-97	ETT 112	X	X	
02-9-97	ETT 110	X	X	
02-18-97	ETT 115	X	X	
02-22-97	ETT 113	X	X	
03-6-97	ETT 112 ETT114	X X	X X	
04-21-97	ETT 112	X	X	
04-23-97	ETT 113	X	X	
04-27-97	ETT112	X	X	
05-05-97				X

*mistake*

*check  
but  
back up.  
but note*

ATTACHMENT 9 - LIST OF OFFENSES  
HERCULES MARINE SERVICES CORPORATION  
CASE NUMBER CR-FY97-058

- Offense # 1 Texas Health and Safety Code 382.091(a)(1)(E) - Criminal Offenses, 11-30-96.
- Offense # 2 Texas Health and Safety Code 382.091(a)(1)(E) - Criminal Offenses, 12-06-96.
- Offense # 3 Texas Health and Safety Code 382.091(a)(3) - Criminal Offenses, 12-06-96.
- Offense # 4 Texas Health and Safety Code 382.091(a)(1)(E) - Criminal Offenses, 12-17-96.
- Offense # 5 Texas Health and Safety Code 382.091(a)(1)(E) - Criminal Offenses, 01-10-97.
- Offense # 6 Texas Health and Safety Code 382.091(a)(3) - Criminal Offenses, 01-10-97.
- Offense # 7 Texas Health and Safety Code 382.091(a)(1)(E) - Criminal Offenses, 02-09-97.
- Offense # 8 Texas Health and Safety Code 382.091(a)(3)- Criminal Offenses, 02-09-97.
- Offense # 9 Texas Health and Safety Code 382.091(a)(1)(E) - Criminal Offenses, 02-18-97.
- Offense # 10 Texas Health and Safety Code 382.091(a)(3) - Criminal Offenses, 02-18-97.
- Offense # 11 Texas Health and Safety Code 382.091(a)(1)(E) - Criminal Offenses, 02-22-97.
- Offense # 12 Texas Health and Safety Code 382.091(a)(3) - Criminal Offenses, 02-22-97.
- Offense # 13 Texas Health and Safety Code 382.091(a)(1)(E) - Criminal Offenses, 03-06-97.
- Offense # 14 Texas Health and Safety Code 382.091(a)(3)- Criminal Offenses, 03-06-97.
- Offense # 15 Texas Health and Safety Code 382.091(a)(1)(E) - Criminal Offenses, 04-21-97.
- Offense # 16 Texas Health and Safety Code 382.091(a)(3) - Criminal Offenses, 04-21-97.
- Offense # 17 Texas Health and Safety Code 382.091(a)(1)(E) - Criminal Offenses, 04-23-97.
- Offense # 18 Texas Health and Safety Code 382.091(a)(3)- Criminal Offenses, 04-23-97.
- Offense # 19 Texas Health and Safety Code 382.091(a)(1)(E) - Criminal Offenses, 04-27-97.
- Offense # 20 Texas Health and Safety Code 382.091(a)(3) - Criminal Offenses, 04-27-97.
- Offense # 21 Texas Penal Code 37.09 - Tampering with physical evidence, 05-05-97.

NO. \_\_\_\_\_

STATE OF TEXAS

§ IN THE DISTRICT COURT

vs.

§ 23RD JUDICIAL DISTRICT

LARRY EUGENE BALLINGER

§ BRAZORIA COUNTY, TEXAS

MOTION FOR DISCOVERY

TO THE HONORABLE JUDGE OF SAID COURT:

Now comes Larry Eugene Ballinger, defendant in the above entitled and numbered cause, by and through undersigned counsel, and makes this Motion for Discovery, and, for good cause shows the following:

I.

Defendant moves the Court to order the District Attorney to produce and permit counsel for the defendant to inspect the following designated items:

1. All oral confessions, admissions and statements, made by the defendant to the state in connection with this case, which have been electronically recorded.

(GRANTED) (DENIED)

2. The substance of all oral confessions, admissions and statements made by the defendant to the state in connection with this case, which were not electronically recorded.

(GRANTED) (DENIED)

3. All statements, written or oral, electronically recorded or not, given by the defendant which are exculpatory or which tend to mitigate punishment.

(GRANTED) (DENIED)

4. All written warnings, admonitions, rights and waivers given by the state to the defendant before defendant gave any written or oral statements, admissions or confessions or testimony at any examining trial or grand jury hearing.

(GRANTED) (DENIED)

- ~~5.~~ All notes, whether in final, rough, draft, or other form, made by all law enforcement officers prior to, during and after the defendant was interrogated which concern any confessions, admissions or statements made by defendant to law enforcement officers concerning this case.

(GRANTED) (DENIED)

6. All witness statements as that term is used in Rule 614 of the Texas Rules of Criminal Evidence, whether in final, rough, draft, or other form.

(GRANTED) (DENIED)

7. All writings used to refresh the recollection of witnesses, as provided in Rule 611 of the Texas Rules of Criminal Evidence.

(GRANTED) (DENIED)

8. The names and addresses of all suspects other than defendant who were interrogated or arrested or investigated in connection with this case.

(GRANTED) (DENIED)

9. A list of the names and addresses of all witnesses the prosecution intends to call at trial.

(GRANTED) (DENIED)

10. All statements made by any suspect, party or witness to this alleged offense which tend to exculpate defendant or mitigate punishment.

(GRANTED) (DENIED)

11. The names and addresses of all persons who testified at the grand jury proceedings which culminated in defendant's indictment in this case.

(GRANTED) (DENIED)

12. A written transcription of the testimony of all witnesses who testified at the grand jury proceedings which culminated in defendant's indictment in this case. Defendant is entitled to grand jury testimony upon a showing of "particularized need." Defendant particularly needs the grand jury testimony here requested to cross-examine and impeach the witnesses and to discover and utilize exculpatory and mitigating evidence, including inconsistent and impeaching evidence.

(GRANTED) (~~DENIED~~)

13. A written transcription of all exculpatory or mitigating evidence concerning defendant produced in the grand jury proceedings which culminated in defendant's indictment in this case.

(GRANTED) (~~DENIED~~)

14. A written transcription of the testimony of all witnesses who testified at the grand jury proceedings which culminated in defendant's indictment in this case, and whom the state intends to call as witnesses at trial. That testimony is a "statement" discoverable under Rule 614 of the Texas Rules of Criminal Evidence.

(GRANTED) (DENIED)

15. All physical evidence seized by the state from the defendant in connection with this case.

(GRANTED) (DENIED)

16. All physical evidence, property, documents, papers, books, accounts, letters, photographs, objects, records or tangible things belonging to the defendant which are now in the possession of the state or its agencies.

(GRANTED) (DENIED)

17. All physical evidence in possession or control of the state which the state intends to offer at trial in this case.

(GRANTED) (DENIED)



18. All physical evidence removed by the state from the scene of the alleged crime.

(GRANTED) (DENIED)

19. All other physical evidence, property, documents, papers, books, accounts, letters, photographs, objects, tangible things or records which constitute or contain evidence material to any matter involved in this case which are in the possession, custody or control of the state or any of its agencies.

(GRANTED) (DENIED)

20. The location from which each piece of evidence specified in items 16 - 20 above was found, the time it was found, and the name of the person who found it.

(GRANTED) (DENIED)

21. All recordings and transcriptions of all information and evidence obtained by means of electronic eavesdropping, surveillance, or wiretapping by law enforcement officers, obtained in this case.

(GRANTED) (DENIED)

22. All photographs, videotapes, audiotapes, drawings, charts and diagrams made by the state or law enforcement agency with reference to this case, including, but not limited to those of the scene of the crime and the scene of the defendant's arrest.

(GRANTED) (DENIED)

23. All reports of scientific tests, experiments and comparisons, and the name of each person who made such report or performed such tests, experiments or comparisons.

(GRANTED) (DENIED)

24. All toxicology reports based on an examination of the complainant, the defendant, co-defendants, co-conspirators, parties, accomplices, suspects or any witnesses for the state.

(GRANTED) (DENIED)

25. A list of the names, addresses and professions of all expert witnesses the prosecution intends to call at trial, along with each expert's qualifications, the subject and a description of his or her contemplated testimony, and his or her report.

(GRANTED) (DENIED)

26. Any expert witnesses or expert witness reports or data known or believed by the state to contain evidence which tends to exculpate defendant or mitigate defendant's punishment in this case.

(GRANTED) (DENIED)

27. The criminal record of each witness for the state showing every conviction or probation for felony or misdemeanor involving moral turpitude which is admissible for impeachment under Rule 609 of the Texas Rules of Criminal Evidence.

(GRANTED) (DENIED)

28. The criminal record of each witness for the state showing every event which can be used to impeach the witness including any deferred adjudication probations, arrests, or juvenile adjudications pending against the witness between the time of the offense alleged against defendant and defendant's trial.

(GRANTED) (DENIED)

29. All inducements offered by the state which might tend to motivate its witnesses to testify against defendant, including, but not limited to, plea bargain agreements, fee, expense, or reward arrangements, agreements to dismiss or reduce or not bring charges, or any other agreement of leniency.

(GRANTED) (DENIED)

30. All evidence in possession of, or within the knowledge of, the state or any of its agencies, including impeachment evidence, which is favorable to defendant and material either to guilt or to punishment.

(GRANTED) (DENIED)

## II.

In support of this motion, defendant shows the following:

1. The items requested are in the exclusive possession, custody and control of the State of Texas or the United States Government by and through its agents, the police or the prosecuting attorney's office, and the defendant has no other means of ascertaining the disclosures requested.
2. The items requested are not privileged.
3. The items and information are material to this cause and the issues of guilt or innocence and punishment to be determined in this cause.
4. The defendant cannot safely go to trial without such information and inspection, nor can the defendant adequately prepare the defense to the charges against him.
5. The defendant's rights will be violated under Article 39.14 of the Texas Code of Criminal Procedure, Article I, §§ 3, 3a, 10, 13 and 19 of the Constitution of the State of Texas, and the Fifth, Sixth, Eighth and Fourteenth Amendments to the Constitution of the United States of America by such absent discovery.

**WHEREFORE, PREMISES CONSIDERED,** defendant respectfully prays that this Honorable Court will grant this Motion for Discovery in all things, or in the alternative, that this Court will set this matter down for a hearing prior to trial on the merits and that at such hearing this Motion will be in all things granted.

Respectfully submitted,

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BUDDY STEVENS  
P. O. Box 1178  
Angleton, Texas 77516-1178  
(409)849-9375; FAX (409)849-9398  
SB# 19180000

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the above and foregoing Motion for Discovery was delivered to the District Attorney's Office on March \_\_\_\_\_, 1998.

\_\_\_\_\_  
BUDDY STEVENS

**ORDER**

On \_\_\_\_\_, 1998, came on to be heard defendant's Motion For Discovery, and after hearing same, the Court orders discovery as indicated in the body of the motion.

\_\_\_\_\_  
PRESIDING JUDGE

NO. \_\_\_\_\_

STATE OF TEXAS

§ IN THE DISTRICT COURT

vs.

§ 23RD JUDICIAL DISTRICT

LARRY EUGENE BALLINGER

§ BRAZORIA COUNTY, TEXAS

**DEFENDANT'S ELECTION AS TO PUNISHMENT**

**TO THE HONORABLE JUDGE OF SAID COURT:**

Now comes Larry Eugene Ballinger, the defendant in the above styled and numbered cause, and, prior to the commencement of voir dire, elects the jury to assess punishment in the event of conviction.

Respectfully submitted,

\_\_\_\_\_  
BUDDY STEVENS  
P. O. Box 1178  
Angleton, Texas 77516-1178  
(409)849-9375; FAX (409)849-9398  
SB# 19180000

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the above and foregoing Defendant's Election as to Punishment was delivered to the District Attorney's Office on March \_\_\_\_\_, 1998.

\_\_\_\_\_  
BUDDY STEVENS

NO. \_\_\_\_\_

STATE OF TEXAS

§ IN THE DISTRICT COURT

vs.

§ 23RD JUDICIAL DISTRICT

LARRY EUGENE BALLINGER

§ BRAZORIA COUNTY, TEXAS

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BUDDY STEVENS

NO. \_\_\_\_\_

STATE OF TEXAS

§ IN THE DISTRICT COURT

vs.

§ 23RD JUDICIAL DISTRICT

LARRY EUGENE BALLINGER

§ BRAZORIA COUNTY, TEXAS

**REQUEST FOR NOTICE OF INTENT TO OFFER  
EXTRANEOUS CONDUCT UNDER RULE 404(b) AND EVIDENCE  
OF CONVICTION UNDER RULE 609(f) AND EVIDENCE  
OF AN EXTRANEOUS CRIME OR BAD ACT UNDER ARTICLE 37.07**

**TO THE DISTRICT ATTORNEY'S OFFICE OF BRAZORIA COUNTY:**

**I.**

Pursuant to Rule 404(b) of the Texas Rules of Criminal Evidence, defendant requests the state to give reasonable notice in advance of trial of its intent to introduce in its case-in-chief evidence of crimes, wrongs, or acts other than that arising in the same transaction.

**II.**


Pursuant to Rule 609(f) of the Texas Rules of Criminal Evidence, defendant requests that the state give sufficient advance written notice of its intent to use evidence of a conviction against the following witness:

Name of Witness: Larry Eugene Ballinger

**III.**

Pursuant to Article 37.07, § 3(g) of the Texas Code of Criminal Procedure, defendant requests that the state give reasonable notice of intent to introduce against the defendant evidence of an extraneous crime or bad act at the punishment phase of the trial.

Respectfully submitted,



BUDDY STEVENS

P. O. Box 1178

Angleton, Texas 77516-1178

(409)849-9375; FAX (409)849-9398

SB# 19180000

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing Request for Notice of Intent to Offer Extraneous Conduct Under Rule 404(b) and Evidence of Conviction under Rule 609(f) and Evidence of an Extraneous Crime or Bad Act Under Article 37.07 was delivered to the District Attorney's Office on March 3-12, 1998.



BUDDY STEVENS



Tom Howard.

→ Hercules Marine Service

LARRY BALLINGER

BASF → bugs.

ITS Caleb Brett

Caleb Brett. New

R w. BASF.  
Robert Peters

MARK HANNA

12 ~~August~~  
November.

Bob CASALE  
Neighbors.

CYON ALA ?  
↳ Butternut.

TEXAS NATURAL RESOURCE  
CONSERVATION COMMISSION

BRIAN LYNCH

Investigator - Special Investigations  
Litigation Support Division

Region 12  
713/767-3521 • Fax 713/767-3520  
6405 Polk Avenue • Suite H • Houston, TX 77023-1423

(512) 604 - 2917

Memo for Monday, May 5, 1997

On Monday, May 5, 1997, at approximately 10:00 a.m., Becky Ohler and Faye Liu, Air Program, Field Operations Division for the Texas Natural Resource Conservation Commission (TNROC), Houston office, visited Hercules Marine Services office.

Events happened as follows:

I was in Diane Peters, part time contractor, office and she said....."there's two ladies getting out of a car, wonder who they are?...." I walked over to the window and saw two ladies walking towards building entrance, I then glanced at the car and recognized the TNROC logo. I informed Larry immediately.

Daniel Hernandez, foreman, happened to be in Larry's office at the time and Larry instructed him to go and get Sam Pettit, and tell him to update the sand and paint logs right away because the TNROC is here. Daniel left and the ladies were already in my office. Larry then walked out of the office as I was talking to Becky about another issue. Becky, then told me that they had received a complaint and that they wanted to see some records. I told her OK, let me get Larry, she said, actually you can help us, and I responded, OK. I began to walk to the files and then I said, why don't I show you the Job Order log and then you can tell me what files you need, she said, that's a good idea. I, then got the job order book, and began giving it to her, and then I stopped, and said, Can you wait just a second because I really need to get my supervisor's approval before I can give you the book, I also told her that I knew that it was OK but I really should get approval. She said, yes, at that time I walked out to get Larry and he was walking in and I told him what was going on and he said, Yes, it is OK. Larry then took them in his office where they visited and then Larry called me in and asked me to get the files for February, March and April. I said, OK. I walked out and then the phone rang, Larry walked by my desk to Diane office and told her to tell me ...."to make sure that none of the files had cyclohexane papers in them". When he walked back by my office, he motioned to me to see Diane, I was still on the phone. I did as he asked and that is what Diane told me.

I began pulling files and scanning them for cyclohexane. I found 3 and Larry looked at them and pulled some papers out. He threw them under a credenza which had open space. Files were taken to the ladies month by month after we screened each one.

Larry called me in the office several minutes later because there was a file or two they could not locate (2 of them)-one I was in the process of invoicing and the other was in the foreman's office (C.Duarte) outside. I then walked to the foreman's office and asked him for the file, I looked at it and it contained cyclohexane papers, I pulled them out and gave them to the foreman to hold for me. I brought the file and gave it to Larry.

Becky and Faye left at 12:30 p.m.

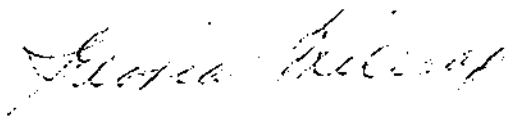
Memo for Monday, May 5, 1997  
Page 2

Larry then came into my office and said, everything is OK, and I said, Good. We then talked about who had complained and he said it was Casale, I asked him if that was what they said, and he replied, yes. I then told Larry that he should submit a letter to Tom Seward, Tom Hord with a copy to Larry Stuart, Bell and Murphy informing them of what had transpired. He hesitated, but I said, you really should with everything that is going on, they need to be aware of what is going on. He said, OK, we then talked about what the letter should say and I typed it, I asked him if there had been anything wrong and he said, no, I added a sentence that said, no violations were found. I took typed letter to him and asked him to sign it and I would fax it and he told me to put it on his desk and he would sign it later. This happened at about 1:00 pm.

I went on about my office business and Larry remained outside working on the projects which are ongoing. At approximately 2:40 p.m. I saw alot of coming in and going out, Daniel was taking picture out of the office and Larry was making noises in his office. I told him he had a call from Robert Peters at about 3:20 p.m. and he said, take a message. I did, at about 3:30 Mr. Peters called back again, and I told Larry that he needed to speak to him, he said, NO, he knows what's going on. I did not say anything. I had gone in to Larry's office to check what was going on and saw him packing a lamp, I asked, what are you doing? He replied, I'm leaving, I did not say anything and he just said, you win some and you lose some.

At approximately 4:00 p.m. he told me that I needed to call the Houston office and tell them he was quitting, and he left and drove off. I called Sharon Tessena and relayed the message.

Not anyone in our office knew what was going on. These are the events which happened. I did find out the next day from Diane Peters what had happened. Robert Peters, her spouse, had called her and told her at approximately 2:30 p.m. or right thereafter.



Gloria Millsap  
Hercules Marine Services  
5-5-97

Memo for Tuesday, May 6, 1997

At approximately 8:05 a.m., Claudio Duarte, foreman, came into my office and asked what we were to do to the BASF ETT 115 barge. I told him that I did not know. I began to check with Jimmy, and he did not know. I then called Robert Peters at BASF and asked him for instructions. He asked me if Larry was in and I responded, No, sir. He told me that McGill would be changing a pump out and that was all that was being done. I said, OK, we'll take care of it. I typed up the job order. Hercules involvement is the use of equipment for changing pump out and that is what they are charged for.

Diane Peters, is a part time contractor employee, who works with the purchase orders. Larry hired her on April 4, 1997. Her hours are from 9:00 a.m. until 2 or 2:30 p.m. for a total of 29 hours per week. Diane is also Robert Peters, BASF, spouse.

This morning at approximately 9:49 a.m., I went in her office to fax and she began to tell me about the TNROC incident on Monday. She began by saying that Robert did not get home until 7:00 p.m. and that he was not very happy. She said she knew what was going on and I said, you did? She began to tell me that Robert called her on Monday and told her that she had better get another job, and she asked him why? his response was that...." the TNROC had been at BASF after they left our office, and that he had done Hercules in....." and then he spoke to Larry. And, I went OH! so that is why Larry reacted as he did, and Diane replied, Yes. She then proceeded to tell me that the TNROC had gone to BASF after they left Hercules office on Monday, they went to Bubba Moore's office, who is Robert Peters supervisor. Bubba called Robert and told him the TNROC was there and to gather barge cleaning records and come to his office. It was after this that Robert Peters called his wife, Diane and then spoke to Larry. Diane said that Robert told her that after he told Larry that the TNROC had been there that Larry asked, did you tell them about the hexane?", Robert replied, Yes." This explains Larry's actions on Monday afternoon, which none of us knew what was going on except Diane.

At approximately 9:55 a.m., a McGill person shows up and I directed him to the BASF barge which he was looking for to replace a pump for BASF. Diane called her husband shortly after and he immediately asked her....."what the hell is going on out there? She replied....."I don't know". He then began to tell her that we would not allow the McGill people to go on the barge and he instructed her to go out there and tell them to let McGill folks on the barge and that he was on his way over here. Diane did as her husband asked, she went outside and was close to the barge and Jimmy Jackson saw her and she told him what was going on. Jimmy said, he had told them to let the McGill people on the barge, but it was not Hercules people, it was the barge folks. Robert Peters, BASF arrived shortly and then came into our office and walked into his wife's office and talked to her for awhile. He came out and talked to Sam Pettit who happened to be in the office at the time. He then left at approximately 10:25.p This conversation was relayed to me by Diane and later that afternoon she told Jimmy about the conversation with her husband and his reaction in my office.

May 7, 1997

*Copy Jimmy 5-8-97 gnd  
Filed to Tom Seward 5-7*

MEMO TO TOM SEWARD

At 9:08 a.m., Becky Ohler, TNRCC, walked into the Hercules Marine Services office and asked me for some files which she had viewed on Monday. Becky requested the following files for copying:

Job No. 2-5396, BASF, EIT 110, Feb. 9, 1997 - Strip and blow. Check engine for oil leakage. Located and removed cover with hole, weld hole and replace cover.

Job No. 2-5402, BASF, EIT 115, Feb. 18, 1997 - Strip and blow. Purge cargo tanks with nitrogen.

Job No. 2-5405, BASF, EIT 113, Feb. 22, 1997 - Strip and blow. Check for fractures. Chemist. COI inspection. Deballast stone rake. Replaced two wing nuts on hatches. Test vapor line and cargo line for inspection. Repair emergency shut off cable (stuck on wheel).

Job. No. 3-5430, BASF, EIT 114, March 6, 1997 - Remove pump from old mount, fit and weld new mount plate, install pump. Weld broken welds and fractures, using boat for welding off of at bow rake. Weld fracture at stern box. Strip and blow dry. Gas free for chemist inspection.

Job. No. 3-5431, BASF, EIT 112, March 6, 1997 - Start loading truck (6) onto barge. Ballast wing tank #4 to level out barge for transport. Strip and blow dry one pump out, wing tank #1,2,3, and 4.

Job. No. 4-5488, BASF, EIT 112, March 21, 1997 - Strip and blow dry. Deballast wing tank #4 and bow rake. Weld two fractures, one on stern box and one on bow rake. Weld dog back on wing tank hatch cover.

Job No. 4-5494, BASF, EIT 113, April 23, 1997 - Strip and blow dry. Release to Brown Water IV.

Job. No. 4-5497, BASF, EIT 112, April 27, 1997 - Strip and blow dry. Deballast - Gas Free - chemist.

I was unable to reach Jimmy Jackson and I then asked Mr. Hord for guidance. I gave files to Becky which she requested, she made copies of what she needed and she left at 9:30 a.m.

She did ask me if Larry was in, I replied that he was not.

This memo is being forwarded as information.

*Gloria*

Gloria Millsap  
Hercules Marine Services

Memo for Tuesday, May 13, 1997

I came to work at 7:20 a.m., had to wait, office locked and Jimmy not around. I then went and found Sam, Sam looked up Jimmy, door unlocked.

Becky Ohler, TNROC, called for Larry this morning at 8:25 a.m. She asked if Larry was in and I replied, that he was not, I asked if Jimmy could help her and then she said, No, that Larry had called her last night and then she asked me if she could call him at home, he had left his number at home, and I replied that she probably could.

Larry called for Jimmy Jackson at 9:30 a.m., I asked him if he was OK, and he replied, yes, and then he asked if Jimmy was doing a real good job taking care of everything (he was joking and being funny), I just kind of laughed and did not respond. Larry talked to Jimmy until 10:05 a.m. They were on Line 2. I was sitting at my desk the entire time and was able to notice phone lines.

Diana came in this morning and at approximately 9:45 a.m. she went to the Xerox and asked me if I had heard about the explosion at Citgo, I replied, I had heard it on the news, and then she began to tell me that Robert had a barge there and that he got a call from the boat captain. The boat captain told him that there had been an explosion, that they were loading the barge, and that it was partially loaded, and that he needed to know what to do, there were no instructions, etc. Diana said that Robert told him to get the hell out of there. The boat captain said that there were no Citgo people ground, and Robert said, don't wait around for them, get the hell out.

## HERCULES OFFSHORE CORPORATION

## FACSIMILE TRANSMITTAL SHEET

TO:	FROM:
Gloria Millsap	Amy Tucker for Tom Seward
COMPANY:	DATE:
HMSC	05/19/97
FAX NUMBER:	TOTAL NO. OF PAGES INCLUDING COVER:
	2
RE:	

☐ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ PLEASE RECYCLE

NOTES/COMMENTS:

**Hercules Marine  
Services Corporation****Memo**

**To:** Gloria Millsap  
**From:** Thomas Seward  
**CC:** Tom Hord  
Jimmy Jackson  
**Date:** 05/19/97

During a long telephone conversation on Wednesday, May 14 with Acting Manager Jimmy Jackson, he informed me that you had inquired about BASF barges containing cyclohexane. He stated to me that he had carefully explained to you - more than once - that it is permissible to deballast barges containing cyclohexane, but not to clean them until the oxidizer is installed and approved.

Notwithstanding what Mr. Jackson described to me as very direct and detailed statements to you regarding what can and can not be done, you later called me and then Tom Hord and, when advised that both of us were out of town, discussed the matter with my secretary, Ms. Bonnie Rockefeller. You have recently also discussed HMSC operational matters with former Manager Larry Ballinger and Ms. Sharon Tessena, who is responsible for HMSC personnel files and administration.

Your direct supervisor is Acting Manager Jackson. You are expected to adhere to the chain of command as all HMSC personnel are. This is standard corporate practice and necessary for proper management. If you choose in the future to circumvent Mr. Jackson, you are directed to first advise him of your intent and the reason for circumventing his authority. As you are aware, new procedures have been instigated at HMSC to avoid a repetition of the problem that resulted in the resignation of former Manager Larry Ballinger. I have included daily reports to Mr. Hord and the undersigned detailing barge operations and contents as well as other internal controls that will be specifically set forth in a report to the TNRCC. Record keeping responsibilities will increase under the new HMSC regulations and as Administrative Assistant you are advised that your record keeping duties must be performed on a current and in a properly maintained basis and you are to follow Acting Manager Jackson's instructions in a professional and businesslike manner. Please also cease contacting individuals such as Mr. Ballinger and Ms. Tessena about operating matters over which they have no control or responsibility.

Tom Seward

TS



Notes for Thursday, May 22, 1997

At approximately 10:05 a.m. today, I took a call from Tom Seward and Hord for Jimmy Jackson. I interrupted a meeting and got him to take the call.

After he spoke to them, he returned and went to the meeting, then he, Daniel, Casas and Sam met in Larry's old office and they closed the door.

At 10:15 a.m., I took a call and it was Larry Ballinger calling for Jimmy Jackson. At the same time almost, I took a call from Tom Seward calling Jimmy Jackson. I put both calls on hold and interrupted the meeting, knocked on the door, and told Jimmy that Larry Ballinger was on Line 1 and Tom Seward on Line 5. He said, to tell Larry he was busy right now and said he would take the call from Seward. I came back into my office and told Larry what Jimmy said, and Larry replied, tell Jimmy to call me right back that I need to talk to him, that Seward just called me. I told him I would give Jimmy the message. I told Sam to tell Jimmy what Larry had said, he went to tell Jimmy in his office. I told Casas and Daniel, so that they would know, just in case, I was asked questions later or if I received another letter telling me that I have been calling Larry and discussing company operations, as I received on Monday, May 19, 1997 from Tom Seward.

Gloria Millsap  
May 22, 1997  
10:30 a.m.

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Becky Ohler

TNRCC Office: Region 12 - Houston

Location: TNRCC Region 12 office

Date/Time: May 12, 1997/12:43 pm

On May 12, 1997, TNRCC Special Investigator Brian Lynch interviewed TNRCC Air Program Inspector Becky Ohler at the TNRCC Region 12 office. Ohler advised that she received a telephone call from John Eldridge, an attorney representing Hercules Marine Services Corporation (Hercules), requesting a meeting to present information to the TNRCC. She advised that Eldridge told her Larry Ballinger would also be present for the meeting and that it would be held either Wednesday afternoon or Thursday morning.

Ohler advised that Eldridge called to set up the meeting pursuant to a complaint she was investigating against the Hercules facility located at 906 Marlin, Freeport, Brazoria County, Texas. She advised that the TNRCC Region 12 Air Program received a complaint on April 14, 1997 (See attachment 1 - 4/14/97 Complaint), from an individual alleging that Hercules was cleaning barges which last contained material with a vapor pressure greater than 0.5 pounds per square inch absolute (psia) and that they were not using the air emission controls required by TNRCC Regulation V (See attachment 2 - TNRCC Rule, 30 Texas Administrative Code Chapter 115). Ohler advised that the complainant told her that the barges came from BASF, in Freeport, Texas, and that someone at BASF provided information concerning the types of material that were being sent from BASF to Hercules. She advised that complainant told her the materials coming from BASF included cyclohexane and that cyclohexane has a vapor pressure greater than 0.5 psia. Ohler advised that the complainant told her that Hercules did not have a vapor control system required by TNRCC Regulation V. Ohler advised that on April 16, 1997, the complainant provided her a list of barges that had allegedly been cleaned at Hercules on specific dates and that one of the compounds contained in the barges was listed to be cyclohexane (See attachment 1). She advised that the vapor pressure of cyclohexane was greater than 0.5 psia and that the cleaning of a barge which last contained cyclohexane would require the use of a vapor control system under TNRCC Regulation V to prevent unauthorized air emissions from this barge cleaning activity.

Ohler advised that the TNRCC Region 12 Air Program also received a complaint from an individual on April 28, 1997, alleging bad odors coming from a certain barge numbered ET112 at Hercules on April 27, 1997, which contained either aniline or cyclohexane (See attachment 3 -

4/28/97 Complaint). She advised that the April 28, 1997 complaint was substantiated, as far as the allegation that a barge last containing cyclohexane was being cleaned at Hercules on April 27, 1997.

Ohler advised that she went to Hercules on the morning of May 5, 1997, and that Fay Lu of the TNRCC Region 12 Air Program accompanied her on the complaint investigation. Ohler advised that she met Hercules Manager Larry Ballinger at Hercules and told him that she had received a complaint that Hercules had cleaned barges not allowed by TNRCC Regulation V. She advised that Ballinger pulled Hercules records for the dates February, March, and April 1997, and provided the records to Ohler for inspection. She advised that she inspected records of barges cleaned at Hercules for all but two of the barges listed on the information provided by the informant on April 16, 1997. Ohler advised that the Hercules records substantiated that all the barges which the complainant had told her had been cleaned at Hercules on the dates indicated had in fact been cleaned at Hercules on the dates indicated by the complainant. Ohler further advised that she discussed the two missing barges. The first barge Number ETT 112 was alleged to have been cleaned on February 18, 1997. She advised that the Hercules records indicated that the barge ETT 112 was stripped and blow dried on February 12, 1997. Ohler advised that Ballinger could find no Hercules record concerning the second barge numbered ETT 115 alleged to have been cleaned on April 16, 1997, except for the Hercules record which indicated this barge was deballasted on April 10, 1997.

Ohler advised that her inspection of the records Ballinger produced for inspection indicated that Hercules was in compliance with the TNRCC Regulation V. She advised that the records showed the material that Hercules had cleaned from barges at their facility during the months of February, March, and April 1997, to be normal butanol, aniline, and caprolcatam extract and that all of these barges came from BASF in Freeport, Texas. Ohler advised that she logged in her TNRCC inspection notebook what the Hercules records showed to be the materials cleaned at Hercules during the time frame listed above (See attachment 4). She advised that these records reflected that all materials cleaned from barges at Hercules had a vapor pressure greater than 0.5 psia and were exempt from vapor control requirements of TNRCC Regulation V. Ohler advised that the following information was noted in the Hercules barge cleaning records which she inspected:

1. OSHA document noting the compound in the barge and discussing dangers of the chemical which was signed by employees that worked on cleaning the barge.
2. Barge cleaning report showing the chemical compound contained in the barge and when it was cleaned at Hercules.
3. Invoice noting how the barge was cleaned such as stripped and blow dried.

Ohler told Lynch the Hercules records looked good, that it appeared that Hercules was in compliance with TNRCC Regulation V, and that she and Fay Lu did not expect to find a problem of a conflict with the records at BASF.

Ohler advised that she and Faye Lu went to BASF on the afternoon of May 5, 1997, to continue

their complaint investigation and met L. L. Moore who set up a meeting for them with Mark Hana, BASF Technical Services Representative, and Robert Peters, BASF Logistics Coordinator. Ohler advised that she informed the BASF representatives that the TNRCC had received a complaint against Hercules about serious charges that Hercules was cleaning chemical compounds from barges that they were not supposed to be handling and that the Hercules records reflected that they had been cleaning barges from BASF. Ohler advised she then told the BASF representative that she wanted to review BASF records concerning the barges Hercules had cleaned for BASF. Ohler advised that the BASF representatives were very cooperative.

Ohler advised that she and Lu reviewed the BASF records for BASF barges cleaned at Hercules during the time frame of February, March, and April 1997. She advised that she found 16 barges had been cleaned at Hercules during this time frame and of these 16 barges eight contained cyclohexane. Ohler advised that she logged notes concerning these records and then left BASF (See attachment 4).

Ohler advised that later that afternoon she compared her notes for the BASF records to her notes for the Hercules records and determined that of the eight barges which BASF records showed contained cyclohexane, the Hercules records showed that all eight of these barges contained normal butanol.

Ohler told Lynch that on May 6, 1997, she called and left a message to Mark Hanna of BASF telling him that she wanted to make copies of the records which she had reviewed on May 5, 1997.

Ohler advised that on May 7, 1997, she went back to Hercules, and met Hercules secretary Gloria Milsap. Milsap allowed Ohler to copy the records she had previously reviewed (See attachment 5 - Hercules records provided 5/7/97).

Ohler advised that she proceeded to BASF, contacted Robert Peters secretary Suzette Johnson, and requested to copy the documents which she had called and requested on May 6, 1997. Ohler advised that Johnson brought eight documents to her (See attachment 6 - BASF records provided 5/7/97). Ohler advised that when she reviewed the documents she observed that the documents did not indicate the chemical compound name. Ohler advised that Johnson told her that anytime it is noted on the document Citgo / Phillips / Koch / Huntsman / Chevron it is equivalent to noting that the barge contained cyclohexane because these were the companies from whom BASF purchased cyclohexane. Ohler advised that Johnson also told her that anytime it is noted on the document "strip and blow dry" this indicates that the barge contained cyclohexane because this is the prescribed method of cleaning a barge which last contained cyclohexane. Ohler advised that when she met with Robert Peters he showed her a document which indicated the method of cleaning to be used for specific chemicals to be cleaned out of barges.

Ohler told Lynch that while she was at Hercules meetin with Ballinger, there was a record which was not clear as to what was on a particular barge. She advised that Ballinger telephoned

Johnson at BASF and asked her what was in this certain barge on the certain date in question. Ohler advised that Johnson was able to answer Ballinger's question and it was obvious to her that Ballinger and Johnson had discussed barge cleaning jobs before because they sounded familiar with one another.

Ohler advised that the TNRCC Regulation V came into effect on November 15, 1996. She advised that she conducted a state implementation plan (SIP) air inspection at Hercules in December 1996 (See attachment 7 - 1996 State Implementation Plan Inspection). She advised that she checked Hercules records for all barges cleaned during a one to two week period in December 1996, to determine their compliance with TNRCC Regulation V. She advised that she also questioned Larry Ballinger during the inspection about how Hercules would comply with TNRCC Regulation V. Ohler said that Ballinger told her that Hercules planned to install a thermal oxidizer as a control device that would burn vapors purged from the barge that was being cleaned and that this would allow them to clean barges containing chemical compounds with a vapor pressure greater than 0.5 psia. Ohler advised that Ballinger indicated to her that the thermal oxidizer would be in operation soon. Ohler advised that Ballinger told her that Hercules intended to comply with the TNRCC Regulation V barge cleaning rule by only cleaning barges that last contained chemical compounds with a vapor pressure less than 0.5 psia.

Ohler advised that she inspected the Hercules records and that the records indicated only chemical compounds with vapor pressure less than 0.5 psia were cleaned from barges at Hercules and, therefore, she found Hercules to be compliant with TNRCC Regulation V and documented this information in her December 1996 SIP.

Ohler advised that Hercules submitted a Regulation VI Construction Permit Application for the thermal oxidizer unit to the TNRCC (See attachment 8 - Regulation VI Permit Application). She advised that the permit application was reviewed by TNRCC personnel and determined to be deficient, and the permit was never issued. She advised that Hercules decided to apply for a Regulation V standard permit instead of a Regulation VI Construction Permit (See attachment 9 - Regulation V Permit). She advised that this allowed Hercules to install the thermal oxidizer control device required by TNRCC rules under a standard permit by merely notifying the agency of their activity.

Signed:

Brian Lynch

Date Prepared: August 5, 1997

Case: Hercules  
Case Number: CR-FY97-058  
Person Interviewed: Larry Ballinger  
TNRCC Office: Region 12 - Houston  
Location: TRNCC Region 12 office  
Date/Time: May 13, 1997/2:30 pm

On May 13, 1997, TNRCC Special Investigator Brian Lynch interviewed Hercules Marine Services Corporation (Hercules) ex-Manager Larry Ballinger at the TNRCC Region 12 - Houston office. Mr. Ballinger had accompanied John Eldridge and Bruce Stanfill to a meeting Mr. Eldridge requested to have with TNRCC Region 12 Air Program representatives to discuss barge cleaning activity which required emission controls. Eldridge and Stanfill represented Hercules as corporate attorneys. SI Lynch met Mr. Ballinger after the air program meeting in the hall outside the meeting room, identified himself as a criminal investigator and asked Ballinger if he was willing to answer questions concerning barge cleaning activity at Hercules. At this point Eldridge and Stanfill advised that they did not represent Ballinger, but represented Hercules. Theses gentlemen advised that it was up to Ballinger if he wanted to talk with SI Lynch. Ballinger advised that he was willing to answer question about barge cleaning activities at Hercules. Ballinger accompanied Lynch into an adjacent conference room where the interview was conducted.

Ballinger is 46 years of age. He advised that he graduated from high school in Ola, Arkansas, and took some college courses at Arkansas Tech for a short time. He advised that prior to working at Hercules he worked at Grasso Marine for about 10 years. Ballinger said that he started out in sales and operation at Grasso Marine and worked his way up to Vice President of Operations. He advised after working at Grasso Marine for approximately one year he had short term jobs, then in October 1991 he started at Hercules.

Ballinger advised that he had worked at Hercules in Freeport, Texas, for about five and one-half years. He described his work history at Hercules as follows: he started as a salesman in October 1991; he became manager in 1992-1993 for approximately one and one-half years; after the one and one-half years as manager, Jesse Camacho was promoted to the position of manager and Ballinger returned to his previous position as salesman; in approximately 1995 Ballinger became co-manager with Jimmy Jackson until Jackson left in 1996, at which time Ballinger became manager again; he remained the manager at Hercules from 1996 until May 1997 when he resigned.

Ballinger advised that Hercules is a small part of a larger Malaysian owned company. Ballinger advised that his boss is Tom Seward who is President of Hercules Marine and Offshore. He advised that Tom Horde is the Vice President of Hercules Marine Services, and that Horde's office and Seward's office are in Houston, Texas.

Ballinger told Lynch that Hercules has a thermal oxidizer and that they were in the process of hooking it up as a vapor control system for the barge cleaning operation at Hercules. Lynch asked Ballinger why was Hercules receiving barges to be cleaned which contained product with a vapor pressure of greater than 0.5 pounds per square inch (psi) when they did not have a vapor control system in place and operating. Ballinger said we were trying to get the vapor control system hooked up.

Ballinger advised that Hercules tried to get an air permit for the thermal oxidizer that would be used as the required vapor control system, but this did not work out. He explained that in approximately December 1996 or January 1997, he learned that the permit Hercules was seeking for the thermal oxidizer was not required and only a construction permit was required. Ballinger advised that Hercules then pursued the construction permit. He advised, however, that due to United States Coast Guard requirements Hercules needed drawings of the equipment to be installed and so they hired a consultant to do this. Ballinger then advised that due to delays the thermal oxidizer had not yet been installed.

Lynch asked Ballinger why did Hercules continue to receive barges for cleaning which contained liquids with vapor pressure greater than 0.5 psi when the thermal oxidizer was not yet hooked up. Ballinger advised that over the last couple of years Hercules has lost a lot of key people. He explained that he had to do the jobs of the people that had left, as well as his own. Ballinger gave an example that he had to take calls at night and on weekends concerning operational work. He said he did not realize they had done it, in reference to receiving barges to be cleaned that contained volatile material with vapor pressure greater than 0.5 psi in violation of the air rules. Ballinger advised that when the TNRCC Air Program Inspector Becky Ohler came to Hercules in May 1997, he looked into the matter. Ballinger then stated he was responsible for Hercules cleaning barges which contained volatile materials with a vapor pressure greater than 0.5 psi, and this is why he resigned from his position at Hercules.

Lynch asked Ballinger who fills out the documents at Hercules which indicates what is being cleaned out of the barge. Ballinger advised that the Hercules Foreman Claudio Durate is the person at Hercules who does this. Lynch asked Ballinger why did Durate indicate butanol was cleaned out of barges when in fact cyclohexane was the material being cleaned out of the barge. Ballinger stated, "it comes back to me, I thought we would be done and have this stuff hooked up, things got away from me."

Lynch asked Ballinger if he explained to his boss Seward the problems he was having at Hercules. Ballinger advised that he did not discuss with his boss about the over worked conditions he was experiencing at Hercules.

Lynch again asked Ballinger how did it happen that Durate wrote butanol on documents describing the material to be cleaned from a barge instead of cyclohexane. Ballinger told Lynch the following: We talked about it before. We were coming to the end of the deal, the regulations, the November 1996 deadline. We did not expect to get any cyclohexane. One or two times they pulled out the wrong paper work.

Lynch asked Ballinger if he told Durate to write butanol on the documents instead of cyclohexane. Ballinger advised that at the time when he and Durate discussed the thermal oxidizer and that the November 1996 regulation deadline was coming up, they discussed that they should be all right because they did not expect to receive cyclohexane. Ballinger advised that also, at this time, he and Durate discussed that if they did receive cyclohexane, they were going to have problems. Lynch asked Ballinger if he told Durate how to handle the problem if it came up. Ballinger said, "well not exactly, but I am responsible." He advised that he did not recall exactly what he told Durate to do if cyclohexane came in.

Lynch asked Ballinger what paper work does the barge carry to show the last product loaded on the barge. He advised that the paper work to show this is kept in the barge mail box. Lynch asked how BASF notifies Hercules that they are sending a barge to Hercules. Ballinger advised that Robert Peters is one person who telephones the Hercules Secretary Gloria Milsap and notifies her of the incoming barge. Ballinger advised that Milsap completes a Hercules internal document known as a "fill file" which tells what needs to be done to the barge. Ballinger advised that sometimes Milsap indicates on the fill file what material is to be cleaned out of the barge. Ballinger advised that Milsap places the fill file in either the mechanic side mail box or the cleaning side mail box depending on the type of work that is to be done on the barge. He advised that if the barge is to be cleaned the fill file will be placed in the cleaning mail box and Durate will receive the document. Ballinger advised that normally, if Hercules is not sure what was on the barge they would call BASF and ask them what material is in the barge. Ballinger advised that 99.9% of the time Hercules knows what material they are dealing with on the barge.

Ballinger then advised that he is responsible for operations, sales, and environmental. He advised that there is no middle management at Hercules and that they were in poor financial shape. He added that Hercules Offshore has had no financial problems. Ballinger advised that he thinks Hercules may get out of the barge cleaning business. Lynch asked Ballinger to whom does Seward report. He advised that Seward reports to Malaysian owners, but that he did not know the names of these people.

Lynch again asked Ballinger if he told Durate to write butanol on the documents describing the material to be cleaned from barges at Hercules instead of cyclohexane. Ballinger said, "I would have to say yes." Lynch asked Ballinger if Durate was asked did Ballinger tell him to write butanol on the documents instead of cyclohexane will he say that Ballinger instructed him to do this. Ballinger responded, "yes, I think so."



Lynch asked Ballinger if he told Seward he had a problem because the thermal oxidizer had not been hooked up as required. Ballinger responded, "no", and then advised that Seward was aware they were getting the thermal oxidizer hooked up. Ballinger advised that Seward was aware of the requirements to have the thermal oxidizer hooked up through his contact with a consultant Harry Walker. Ballinger advised that Seward knew Hercules hired Walker to get an air permit for the thermal oxidizer because of the environmental regulations. Ballinger advised that the Hercules Vice President Tom Horde had very little involvement with the Freeport facility and that he did not discuss the problem of not having the thermal oxidizer hooked up with Horde.

Ballinger then said, "I thought we might have a problem on a couple of barges." Lynch asked Ballinger if he knew cyclohexane came on barges to Hercules. Ballinger said, "I thought we had a couple of barges came in with cyclohexane. I thought that we probably had broken the rule."

Ballinger advised that he called BASF the day Ohler came to Hercules and asked about this issue. Ballinger said that he called Robert Peters and Peters told him that BASF sent barges containing cyclohexane six to seven times to Hercules since November 1996.

Ballinger advised that prior to this he suspected barges containing cyclohexane had been received at Hercules from BASF because, "...time was running too long to not receive one of those things. I just knew that some where in there we had to run into something."

Ballinger advised that he had turned down jobs from other companies such as Dow and Dixie Chemical due to vapor pressure of the material to be cleaned was greater than 0.5 psi.

Lynch asked Ballinger if any documents related to the this matter had been altered since Ohler came out to Hercules in May 1997. Ballinger advised that Jimmy Jackson came back in April 1997, and that Jackson is now the Hercules Manager. Ballinger advised that now Hercules faxes all documents on barge cleaning to Tom Seward in the Houston office.

Ballinger advised that he resigned on the day he called BASF.

Lynch asked Ballinger what Seward and Horde do. He advised that their big deal is Hercules Offshore. Ballinger advised that Ed Messeck worked as a part time environmental consultant to Hercules in the early 1990s. Ballinger advised that Dr. Ed Smith came up with the designs to meet the USCG specifications requirements.

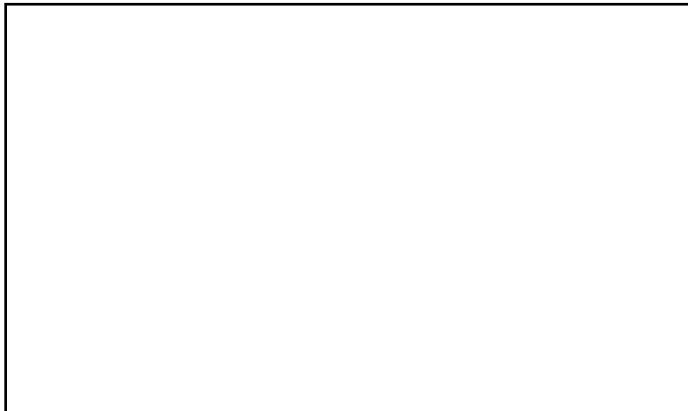
Lynch asked Ballinger what Hercules did with wastewater from barge washing activities. He advised that they used to send this waste to Empak, but now send it to Reclaim Environmental, Inc. in Houston, Texas, where they treat it and discharge it. He advised that Hercules retains barge cleaning wastewater in tanks and then ship it off-site. He advised that they used to ship it off by barge but now ship it on trucks. He advised Hercules cleans about one or two barges per month and generate about two to three thousand gallons of wastewater washings from each barge.

In closing Ballinger said, "I wish I could say more. I wish it had not happened. It got away from me." Also, he advised that BASF was the only customer Hercules had.

Lynch told Ballinger he would discuss this situation with his boss and would like to contact Ballinger again in the near future to further discuss this matter. Ballinger advised that this would be okay.

#### **PERSONAL INFORMATION**

Larry Eugene Ballinger



Signed:

Brian Lynch

Date prepared:

August 1, 1997

## HERCULES OFFSHORE CORPORATION

## FACSIMILE TRANSMITTAL SHEET

TO: Gloria Millsap	FROM: Amy Tucker for Tom Seward
COMPANY: HMSC	DATE: 05/19/97
FAX NUMBER:	TOTAL NO. OF PAGES INCLUDING COVER: 2
RE:	
<input type="checkbox"/> URGENT <input type="checkbox"/> FOR REVIEW <input type="checkbox"/> PLEASE COMMENT <input type="checkbox"/> PLEASE REPLY <input type="checkbox"/> PLEASE RECYCLE	
NOTES/COMMENTS:	

**Hercules Marine  
Services Corporation****Memo**

**To:** Gloria Millsap  
**From:** Thomas Seward  
**CC:** Tom Hord  
Jimmy Jackson  
**Date:** 05/19/97

During a long telephone conversation on Wednesday, May 14 with Acting Manager Jimmy Jackson, he informed me that you had inquired about BASF barges containing cyclohexane. He stated to me that he had carefully explained to you - more than once - that it is permissible to deballast barges containing cyclohexane, but not to clean them until the oxidizer is installed and approved.

Notwithstanding what Mr. Jackson described to me as very direct and detailed statements to you regarding what can and can not be done, you later called me and then Tom Hord and, when advised that both of us were out of town, discussed the matter with my secretary, Ms. Bonnie Rockefeller. You have recently also discussed HMSC operational matters with former Manager Larry Ballinger and Ms. Sharon Tessena, who is responsible for HMSC personnel files and administration.

Your direct supervisor is Acting Manager Jackson. You are expected to adhere to the chain of command as all HMSC personnel are. This is standard corporate practice and necessary for proper management. If you choose in the future to circumvent Mr. Jackson, you are directed to first advise him of your intent and the reason for circumventing his authority. As you are aware, new procedures have been instigated at HMSC to avoid a repetition of the problem that resulted in the resignation of former Manager Larry Ballinger. I have included daily reports to Mr. Hord and the undersigned detailing barge operations and contents as well as other internal controls that will be specifically set forth in a report to the TNRCC. Record keeping responsibilities will increase under the new HMSC regulations and as Administrative Assistant you are advised that your record keeping duties must be performed on a current and in a properly maintained basis and you are to follow Acting Manager Jackson's instructions in a professional and businesslike manner. Please also cease contacting individuals such as Mr. Ballinger and Ms. Tessena about operating matters over which they have no control or responsibility.

Tom Seward

TS

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Mickey Wayne Tiner, President  
Texas Boat and Barge

TNRCC Office: Region 12 - Houston

Location: Texas Barge and Boat  
4115 East Flood Gate Road  
Freeport, Texas

Date/Time: August 6, 1997 / 8:00 am

On August 6, 1997 TNRCC Special Investigator Brian Lynch interviewed Mickey Tiner at the Texas Boat and Barge Office located at 4115 East Flood Gate Road, Freeport, Brazoria County, Texas. Tiner was advised that Lynch was a criminal investigator with the TNRCC and that he was investigating allegations involving Hercules Marine Services Corporation also located in Freeport, Texas.

Tiner advised that he is the owner and president of Texas Boat and Barge (TBB) and that he has operated this business since 1992. He advised that prior to starting TBB he worked for Hercules for about 20 months from 1990 until September 1991. Tiner advised that he was the Project Manager at Hercules and was in charge over everything at the facility. Tiner advised that the Hercules Marine Service is a small part of the Hercules company and that the main business they conduct is offshore oil drilling as Hercules Offshore.

Tiner advised that when he worked for Hercules it was accounted for by Hercules as "Rig 7" to make it appear to be an offshore oil producing rig. He advised that Hercules used cash flow from the marine service yard barge cleaning and repair business to "beef up" the offshore corporation to make it look good on paper to potential investors.

Tiner advised that Hercules Offshore operated five platforms and one jack-up rig when he was there. He advised when all five platform rigs were operating they would lose about \$30 thousand per month. He advised when the jack-up rig operated it made about \$30 thousand per month. Tiner advised that the marine service yard grossed about \$5 million in the 20 months that he worked there and that it was \$350 thousand in the black when he left. He advised that the Hercules Offshore was about \$440 thousand in the red when he left. Tiner advised he gained this information from Daryl Guidry at the Hercules corporate office in Houston who gave him a copy of the profit and loss report for Hercules in 1991.

Tiner advised that when he left Hercules an investment group known as the Elder Group out of New York owned about 70- 80% of the Hercules Corporation, General Electric owned about 10% of it, and Tom Seward the Hercules CEO owned about 5-10% of the business. Tiner advised that Malaysian investors bought out the Elder Group investors about two to three years ago.

Tiner advised that Tom Seward was the "big boss in charge" at Hercules. He advised that Tom Horde was promoted from Offshore Superintendent to Vice President over the entire company. Tiner advised that after he left, Horde and Seward became more involved at the marine service yard. He advised that shortly before he left Hercules, Horde was officing at the marine yard and Seward was coming to the yard to meet with Horde as they were setting Horde up for the move to the Houston corporate office.

Tiner advised that Hercules had a Board Meeting every month and that he would attend. He advised that the officers of the company and the investors would be present, he would give a report as to the marine service yard activity, and then he would be asked to leave the meeting.

Tiner advised when he worked at the Hercules marine yard he met Larry Ballinger. Tiner advised that Ballinger came by the yard with Tom Horde to see about putting in a fueling dock. He advised that Ballinger and Horde are good friends.

Tiner advised that the TBB barge cleaning superintendent Juan Gonzalez has been working for him for the last two to three years. He advised that prior to this Gonzalez worked at Hercules for about 15 years.

Tiner advised that wastewater disposal at Hercules is questionable. He advised that when he started with Hercules in 1990 they were dumping wastewater from the barge cleaning operations directly into the Intracoastal Waterway (ICW). He advised that Dow Chemical canceled their contract with Hercules when they learned of the dumping. Tiner advised that Charles Taner was the cleaning superintendent at Hercules when the dumping was occurring. He advised that R.L. Taylor was the Dow representative who asked Tiner how Hercules disposed of the wastewater they generated from barge cleaning operations. Tiner advised that he asked Taner this question and Taner told him they dumped into the ICW at night. Tiner advised that Jimmy Jackson was the Hercules Night Foreman and that he talked to Jackson about this matter. Tiner advised that Jackson told him he was dumping the wastewater at night. Tiner said that he told Jackson to stop the dumping and then Tiner set up an arrangement to dispose of the wastewater at Empak, an authorized disposal facility.

Tiner advised that he discussed this night time dumping activity with Tom Seward and Tom Horde due to the fact that it caused them to lose the Dow business. Tiner advised that they told him to get new procedures in place and get the Dow business back. Tiner advised that Dow did an environmental audit of Hercules after they made arrangements for proper disposal methods with Empak and resumed doing business with Hercules.

Tiner advised that when the dumping was going on, Hercules was billing customers for disposal, but dumping the wastewater as a means to increase profits.

Tiner advised that in 1990 and 1991 he properly disposed of about 750,000 gallons of wastewater per year generated at Hercules. He advised that he learned from Empak representative Clifford Smith that Hercules disposed of the following approximate amounts of wastewater: 1992 - 250,000 gallons; 1993 - 295,000 gallons; 1994 - 0 gallons; 1995 - 326,000 gallons. Tiner advised that Hercules was cleaning chlorinated solvent barges and that the wastewater was to be disposed of as hazardous waste. He advised that Smith told him that in about April 1995, Empak stopped taking wastewater from Hercules because of Hercules not paying their disposal bill.

Tiner advised that in 1995, he spoke with R.L. Taylor who was then a representative for Dixie Carriers. Tiner advised that Dow sold their barge fleet to the Kirby Corporation who formed Dixie Carriers to run the barge business which services Dow. Taylor told Tiner that he asked Jimmy Jackson, who was a supervisor at Hercules at this time, how many barges per year Hercules cleaned for Dixie. Taylor told Tiner that Jackson said they cleaned about 300 barges per year and that they generated about 10,000 gallons of wastewater per barge cleaned. Tiner advised that Taylor told him that Hercules charged Dixie Carriers about \$600,000.00 in 1995 for disposal of about three million gallons of wastewater.

SI Lynch asked Tiner about the regulations concerning the control of emissions from cleaning barges that last contained material with a vapor pressure greater than 0.5 pounds per square inch absolute (psia). Tiner advised that the first deadline for this regulation known as "Reg V" was in May 1995. He advised that an extension to the deadline was granted by the state until November 1996, due to lobbying by two large barge cleaning companies, Platzer and Southwest Barge. Tiner advised that it was common knowledge in the barge cleaning industry that the regulations to control volatile vapor emissions from cleaning barges was coming into effect in November 1996.

Tiner advised that clients or companies that need barges cleaned audit the cleaning facility before using them. He advised that Kirby Corporation uses Waste Control Management (WCM), Hollywood uses WCM, National Marine does their own audits, Ingram does their own audits, ACBL does their own audits, and BASF does their own audits.

Tiner advised that he had lunch with Mark Hanna of BASF prior to the November 1996 deadline for controlling volatile emissions from barge cleaning in about September or October 1996. He advised that he was making a sales call on Hanna trying to get the BASF barge cleaning business for TBB. Tiner advised that Hanna was okay with using Hercules to clean BASF barges. Tiner advised that he asked Hanna what he thought about the November 1996 deadline and the impact it would have on Hercules since they did not have a vapor control system. Tiner advised that Hanna gave a grin and said, "we don't think that will ever happen" in reference to the regulation coming into effect.

Tiner advised that it was common knowledge in the Freeport area that Hercules did not have a vapor control system for cleaning barges. Tiner advised that Hanna knew that Hercules did not have the required vapor control system because Tiner told him so in during the September-November 1996 time frame. He advised that Dixie Carriers had stopped using Hercules to clean barges after November 1996 because they did not have a vapor control system in place. Tiner advised that two to three months ago, after the November 1996 deadline, Harvey Osmond of Dixie Carriers in Houston, Texas, told him that Hercules had not started operating the thermal oxidizer at their facility to control volatile emissions. Tiner advised tht he had seen the thermal oxidizer at Hercules and that it had been there a long time but had never been operated.

Tiner advised that when he made the complaint to TNRCC about barges being cleaned at Hercules in violation of Reg V he obtained the list of barges cleaned at Hercules from a neighbor to Hercules, Bob Casale. Tiner advised that he learned that Hercules was still cleaning cyclohexane barges from the fact that someone purchased cyclohexane from Hercules that they had removed from barges cleaned at Hercules. Tiner advised that he obtained this information from Caesar Tezeno of Jeppco Fuels, Inc. He advised this occurred in January 1997.

Tiner advised that there have been numerous complaints against Hercules for nuisance odors from their barge cleaning activity. He advised that prior to November 1996 they were "grand fathered" and the emissions themselves were not illegal. He advised that after November 1996 the emission of volatile vapors was illegal.

Tiner advised that Hercules will not care if they close down their marine service yard because they never intended to make it a major barge repair business. He advised that the main reason Hercules had this business was as a place for a land base for their offshore operations and to subsidize the offshore business financially. He advised that at one time Hercules had all of the barge cleaning business in the Freeport area, but since they did not update equipment they lost business. As an example he referenced Dixie Carriers did not want to be associated with a business that received complaints for emissions from cleaning their barges. Tiner advised that while he worked at Hercules when he would ask for monies to upgrade cleaning equipment Seward and Horde would tell him no, there is no money for the marine service yard to upgrade equipment.

Tiner advised that right after the TNRCC Inspector Becky Ohler went to Hercules and talked with then Hercules Marine Services Manager Larry Ballinger about BASF barges cleaned at Hercules, Ballinger telephone BASF and told them that Hercules could no longer clean cyclohexane barges because they had been doing so illegally. SI Lynch asked Tiner how he knew this. He advised that Juan Gonzalez told him that an individual involved with the tug boat and a cyclohexane barge that was at Hercules at the time of the call provided this information. He advised that this individual told Gonzalez that after Ohler departed, Ballinger packed up his things from his office and left right after telling BASF about the problem. The individual advised Gonzalez that BASF told the tug boat captain to immediately remove the BASF cyclohexane barge from Hercules and take it to TBB.



Tiner advised that he received a call from Robert Peters of BASF on this day. He advised that Peters told him that BASF was sending TBB a cyclohexane barge. Peters asked him if TBB could clean this barge and asked if their vapor recovery system could handle cyclohexane. Tiner advised that he told Peters yes.

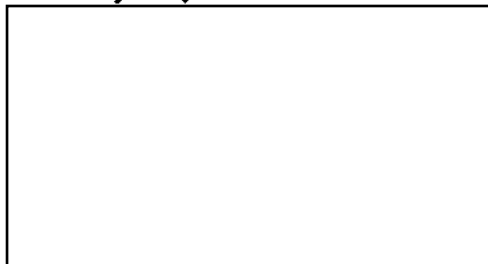
Tiner advised that he has also been in touch with Bob Ingram of BASF. He advised that Ingram is in purchasing and that he was trying to rectify the problem with Hercules. Tiner advised that Mark Hanna and Robert Peters were the individuals at BASF dealing with Hercules and that even after the discovery by TNRCC that Hercules was illegally cleaning BASF barges these two individuals continued using Hercules to clean barges, other than cyclohexane barges.

Tiner advised that he learned from David Terry of VIP Fueling that recently Mark Hanna contacted Terry about trying to set up a fleeting system to handle BASF barges which would include cleaning these barges. Tiner advised that Terry told him that Larry Ballinger also called Terry about wanting to start a fueling and barge cleaning business.

Tiner advised that Hercules replaced Larry Ballinger with Jimmy Jackson as Manager of the marine services yard.

#### PERSONAL INFORMATION

Mickey Wayne Tiner



Signed:



Date prepared:

September 11, 1997

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Robert Peters, BASF Logistics Coordinator  
Bobby L. Atkins, BASF Environmental Team Leader  
L. H. "Bubba" Moore, BASF Logistics Manager

TNRCC Office: Region 12 - Houston

Location: BASF  
602 Copper Road  
Freeport, Texas 77541

Date/Time: September 9, 1997 / 9:00 am

On September 9, 1997, TNRCC Special Investigator (SI) Brian Lynch interviewed Robert Peters, Bobby Atkins, and Bubba Moore at their BASF office on Copper Road in Freeport, Brazoria County, Texas. SI Lynch identified himself to Atkins as a criminal investigator with the TNRCC.

Lynch contacted Peters on September 8, 1997, and asked if he had retrieved the records which he had previously agreed to provide to Lynch. Peters advised on September 8, 1997, that he had pulled these records and they were available. Lynch arrived and asked to see Peters. The receptionist advised Lynch he was to see Moore. Lynch met Moore, Atkins and Peters in a conference room at the BASF office.

Lynch asked if BASF considered the act of Hercules cleaning cyclohexane barges without required emission controls serious. Atkins advised that BASF did consider this a serious act that should not have been done. He advised that he believed Hercules was a big corporation and he found it hard to believe that the company knew what was going on. He advised that to him this looked like an individual at the lower level that knew what was happening.

Moore advised that Hercules was no longer cleaning any barges for BASF. He advised that after a citizen sent a letter to the BASF General Manager Ravi Singhani with the TNRCC notice of violation letter sent to Hercules attached, BASF decided not to send any more barges there to be cleaned until they determined if it would be done in compliance with environmental rules and regulations. He advised that BASF did let Hercules continue cleaning other than cyclohexane barges after the discovery of the problem with this activity, but that this had been discontinued.

Lynch asked to review the previously requested records. Moore advised that Mark Hanna had all the 1996 and 1997 invoices and back up documents from Hercules to BASF concerning barges cleaned by Hercules for BASF. Peters left to retrieve the records. Lynch asked Moore why

Hanna had these documents at his desk. Moore advised that Kriselle Nielsen, Hanna's boss, had instructed Hanna to do a cost comparison between barge cleaning and mechanical repair at Hercules versus Texas Barge and Boat. Lynch asked if Hanna was in his office and Moore advised that Hanna was attending a staff meeting with Nielsen on Moore's behalf.

Peters returned with the Hercules documents. Peters advised that BASF was no longer sending barges to Hercules. Lynch asked Peters if he was sure BASF was no longer sending barges to Hercules. Peters advised that Hercules had done some deballasting for BASF. Lynch asked Peters what Hercules did with the ballast water they removed from BASF barges. He advised that they placed it into tanks and reused it.

Peters advised that about 98% of the BASF barge traffic is in cyclohexane use. Peters advised that BASF hires Caleb Brett to inspect all BASF barges cleaned or repaired at Hercules. He advised that Caleb Brett does not inspect BASF barges that are only scheduled for deballasting at Hercules.

Lynch reviewed Hercules invoices with Peters and the following barges were determined to be BASF barges from which Hercules stripped, or removed, and cleaned cyclohexane (See **attachment 1 - Hercules Documents**):

	Cleaning Date	Barge Number	Hercules Job#	Hercules Invoice#	BASF Approval Signature
1.	11-30-96	ETT110	5318	3683	Roberts Peters
2.	12-6-96	ETT112	5327	3692	none
3.	12-17-96	ETT115	5334	3699	none
4.	1-10-97	ETT112	5359	3730	none
5.	2-9-97	ETT110	5396	3762	none
6.	2-18-97	ETT115	5402	3768	none
7.	2-22-97	ETT113	5405	3771	none
8.	3-6-97	ETT114	5430	3796	none
		ETT112			
9.	4-21-97	ETT112	5488	3853	none
10.	4-23-97	ETT113	5494	3859	none
11.	4-27-97	ETT112	5497		none

Lynch reviewed the BASF Cyclohexane Schedule provided by Peters (See Attachment 2- BASF Cyclohexane Schedule). This document shows the dates the barges carried cyclohexane and the date unloaded as noted below:

	Barge Number	Date unloaded
1.	ETT110	11-22-96
2.	ETT112	12-5-96
3.	ETT115	12-14-96
4.	ETT112	1-9-97
5.	ETT110	2-9-97
6.	ETT115	2-16-97
7.	ETT113	2-21-97
8.	ETT112	3-5-97
9.	ETT114	3-4-97
10.	ETT112	4-19-97
11.	ETT113	4-22-97
12.	ETT112	4-25-97
13.	ETT113	5-3-97

Lynch asked for and Peters provided a copy of a material safety data sheet (MSDS) that would have been provided to Hercules (See attachment 3 - cyclohexane MSDS).

Lynch asked Peters for copies of any work requests he faxed to Hercules concerning cyclohexane barges to be cleaned for BASF. Peters provided documents entitled BASF Barge Schedules For Hercules which show the following (See attachment 4 - BASF Work Requests):

Date	Barge Number	Material Last Contained on Barge	Job Request
1-10-97	ETT112	Cyclohexane	Strip and blow dry
3-6-97	ETT114	Not indicated	Repairs
	ETT112	Not indicated	Strip and blow dry

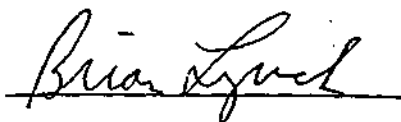
Lynch asked Peters for copies of the BASF Barge Schedule. Peters provided copies of the documents which show the following (See attachment 5 - BASF Barge Schedule):

Date	Barge Number	Material	Activity
11-27-96	ETT110	Empty (Cyclohexane)	Hold
12-5-96	ETT112	Empty(Cyclohexane)	Take to Hercules for deballasting

12-6-96	ETT112	Empty	At Hercules being repaired
12-16-96	ETT112	Empty	Being repaired
12-16-96	ETT115	Empty (Cyclohexane)	Take to Hercules to be cleaned
1-10-97	ETT112	Empty	At Hercules being cleaned
2-7-97	ETT110	Loaded (Citgo)	Enroute to Freeport, discharge Saturday
2-18-97	ETT115	Empty	En route to Hercules Strip and blow dry
2-21-97	ETT113	Discharging (Phillips)	Take barge to Hercules preparation for USCG COI Monday
2-24-97	ETT113	Empty(Cyclohexane)	At Hercules USCG certificate of inspection
3-5-97	ETT114	Empty(Cyclohexane)	Will take to Hercules for repairs Thursday
	ETT112	Loaded (Citgo)	After discharge take to Hercules to be cleaned
3-6-97	ETT114	Empty (Cyclohexane)	At Hercules minor repairs
	ETT112	Empty (Cyclohexane)	Being stripped and blown dry
4-21-97	ETT112	Empty(Cyclohexane)	At Hercules being repaired
4-23-97	ETT113	Empty(Cyclohexane)	Take to Hercules for strip and blow dry
4-28-97	ETT112	Empty(Cyclohexane)	At Hercules being repaired
4-5-97	ETT113	Empty	At Hercules being cleaned
5-6-97	ETT113	Empty (Cyclohexane)	At Texas Barge being cleaned

Peters provided a document entitled "Barge Cleaning" which shows the prescribed methods of cleaning for barges depending on the last cargo they carried (See attachment 6). The document shows that the BASF barge cleaning procedure to remove cyclohexane was "strip, blow, and dry".

Signed:



Date prepared:

September 12, 1997

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Robert P. Engman, BASF Purchasing Agent

TNRCC Office: Region 12 - Houston

Location: BASF  
602 Copper Road  
Freeport, Texas 77541

7-26-89  
purchase  
order referred  
to  
attached  
B94

Date/Time: September 9, 1997 / 10:55 am

On September 9, 1997, TNRCC Special Investigator (SI) Brian Lynch interviewed Robert Engman at the BASF office on Copper Road in Freeport, Brazoria County, Texas. SI Lynch identified himself to Engman as a criminal investigator with the TNRCC.

Engman advised that he was familiar with the situation involving BASF barges cleaned at Hercules. Engman reviewed a BASF Purchasing Department file which contained a purchase order for Hercules Offshore Drilling. Engman advised that this document was a blanket purchase order for work done with Hercules. He advised that the blanket purchase order number for Hercules was F91392.

Lynch asked Engman when he learned that there was a problem and Hercules would no longer be able to clean cyclohexane barges for BASF. He advised that he learned about the problem when Robert Peters came to him and said that Hercules could no longer clean cyclohexane barges for BASF. He advised that Peters was looking for another vendor to use. Engman advised that this occurred in May 1997. He advised that he called Texas Boat and Barge (TBB) the same day that Peters came to him with this problem. Engman advised that BASF had a cyclohexane barge at Hercules waiting to be cleaned and Hercules would not accept it. Engman advised that he spoke with Mickey Tiner at TBB.

Lynch asked Engman if he had talked with Tiner prior to the above referenced day in May 1997, when he called to arrange to send the cyclohexane barge to TBB. He advised that he had. Engman advised that he had been called by Tiner when Tiner made a sales call in the January 1997 time frame. Lynch asked Engman what were Tiner's selling points. Engman advised the following:

1. TBB was installing newer equipment.
2. Due to location TBB would have less problem with odor complaints.
3. TBB had a flare to control emissions.

Lynch asked Engman if Tiner discussed Hercules. He advised that Tiner did discuss Hercules and it seemed that Tiner did not get along with them. Lynch asked Engman if Tiner told him that Hercules did not have a flare to control emissions. Engman advised that he did. At this point Bobby Atkins said "but that did not mean anything to you" in reference to Tiner's comment that Hercules had no flare.

PERSONAL INFORMATION

Robert P. Engman



Signed:

Brian Lynch

Date prepared:

September 12, 1997

ase Order

BASF Corporation

**BASF**

COPPER ROAD FREEPORT, TX 77541 (409) 238-6100

IDOR NO: 20062301

P.O. NO.

F91392E8

ERCULES OFFSHORE DRILLING  
1011 RICHMOND SUITE 500  
DUSTON

TX 77042

DATE: 07/26/89

RELEASE NO.

SHIP TO:

BASF - FREEPORT PLANT SITE  
602 COPPER ROAD  
FREEPORT

CHANGE NO.

002

TX 77541

PAGE 1

07/26/89 SHIP VIA NOT APPLICABLE  
NET 30  
NOT APPLICABLE

RENDER ALL INVOICES IN TRIPLICATE TO:  
BASF CORPORATION  
ACCOUNTS PAYABLE

602 COPPER ROAD  
FREEPORT TX 77541

QUANTITY	U/M	DESCRIPTION	PRICE
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CHANGE ORDER NO. 2 - 3/15/93

THIS CHANGE ORDER IS WRITTEN TO EXTEND COVERAGE FOR BASF CORPORATION'S (PARTIAL) REQUIREMENTS FOR REPAIR WORK ON BARGES TO BE PERFORMED ON THE VENDOR'S PREMISES.

THE EFFECTIVE DATE OF THIS EXTENSION SHALL BE THROUGH 12/31/95.

PRICING SHALL BE PER YOUR RATE SHEET DATED 3/3/93.

BASF DISTRIBUTION AND TRAFFIC DEPARTMENT AUTHORIZED PERSONNEL SHALL REQUEST ALL WORK AND SERVICES TO BE PERFORMED BY THE VENDOR AGAINST THIS BLANKET PURCHASE ORDER.

RELEASES AGAINST THIS BLANKET PURCHASE ORDER MAYBE USED FOR BOTH MAINTENANCE AND CAPITAL REQUIRMENTS, BUT SHALL NOT EXCEED \$10,000 PER RELEASE. FOR A JOB EXCEEDING \$10,000 A SEPARATE PURCHASE ORDER MUST BE ISSUED.

BASF MAY CANCEL THIS BLANKET PURCHASE ORDER AT ANY TIME DURING THIS PERIOD WITH NO CHARGE TO BASF CORPORATION FOR THE CANCELLATION.

BASF TO REMIT TAX - TEXAS DPP# 1-16-1090809-4  
SALESORUSE TAX

ER IS SUBJECT TO THE TERMS AND CONDITIONS ON THIS SIDE AND ON THE REVERSE SIDE HEREOF, AND THE SELLER AGREES TO THEREBY. BY SHIPPING THE GOODS OR BY ACKNOWLEDGING RECEIPT OF THIS ORDER, SELLER AGREES TO SUCH TERMS AND NS. ANY DIFFERENT OR ADDITIONAL TERMS IN SELLER'S ACCEPTANCE FORM, IF ANY, ARE HEREBY OBJECTED TO.

ORDER NUMBER MUST APPEAR ON ALL INQUIRIES, ES, PACKING SLIPS, SHIPPING LABELS, PACKAGES ICUMENTS.

T: Direct all order-related communications to the purchasing dept. ■ Acknowledge in writing, confirming shipping date, price, routing, etc. ■ Mail shipping notice or memo on day of shipment. ■ All shipments must be fully prepaid. Submit original bill of lading where transportation charges are for Buyer's account. ■ Discountable invoices or net ces will be paid on the Thursday of the week they fall due. Product code number on all packages, with the exception of empty containers.

BASF Corporation

CONTINUED ON NEXT PAGE



· (409) 238-6100

F91392E8

002

TX 77541

PAGE 2

RENDER ALL INVOICES IN TRIPLICATE TO:

BASF CORPORATION

ACCOUNTS PAYABLE

602 COPPER ROAD

~~FREEDORE, TX 77561~~

QUANTITY	U/M	DESCRIPTION	PRICE
		ELJ/ES  ALL OTHER TERMS AND CONDITIONS OF OUR ORIGINAL ORDER REMAIN UNCHANGED AND APPLICABLE.	

BASF TO REMIT TAX - TEXAS DPP# 1-16-1090809-4  
 SALESORUSE TAX \_\_\_\_\_

ORDER IS SUBJECT TO THE TERMS AND CONDITIONS ON THIS SIDE AND ON THE REVERSE SIDE HEREOF, AND THE SELLER AGREES TO AND THEREBY, BY SHIPPING THE GOODS OR BY ACKNOWLEDGING RECEIPT OF THIS ORDER, SELLER AGREES TO SUCH TERMS AND CONDITIONS. ANY DIFFERENT OR ADDITIONAL TERMS IN SELLER'S ACCEPTANCE FORM, IF ANY, ARE HEREBY OBJECTED TO.

THE ORDER NUMBER MUST APPEAR ON ALL INQUIRIES,  
INVOICES, PACKING SLIPS, SHIPPING LABELS, PACKAGES  
AND DOCUMENTS.

**ANT:** Direct all order-related communications to the purchasing dept. ■ Acknowledge early in writing, confirming shipping date, price, routing, etc. ■ Mail shipping notice or memo on day of shipment. ■ All shipments must be fully prepaid. Submit original bill of lading where transportation charges are for Buyer's account. ■ Discountable invoices or net invoices will be paid on the Thursday of the week they fall due. Product code number ear on all packages, with the exception of empty containers.

**BASF Corporation**

BY

## Purchase Order

BASF Corporation

**BASF**

2 COPPER ROAD FREEPORT, TX 77541

(409) 238-6100

VENDOR NO: 20062301

P.O. NO.

F91392E8

HERCULES OFFSHORE DRILLING  
11011 RICHMOND SUITE 500  
HOUSTON

TX 77042

DATE: 07/26/89

RELEASE NO.

SHIP TO:

BASF - FREEPORT PLANT SITE  
602 COPPER ROAD  
FREEPORT

CHANGE NO.

002

TX 77541

PAGE 1

DATE 07/26/89 SHIP VIA NOT APPLICABLE  
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BASF CORPORATION  
ACCOUNTS PAYABLE602 COPPER ROAD  
FREEPORT TX 77541

QUANTITY	U/M	DESCRIPTION	PRICE
		CHANGE ORDER NO. 2 - 3/15/93	
		THIS CHANGE ORDER IS WRITTEN TO EXTEND COVERAGE FOR BASF CORPORATION'S (PARTIAL) REQUIREMENTS FOR REPAIR WORK ON BARGES TO BE PERFORMED ON THE VENDOR'S PREMISES.	
		THE EFFECTIVE DATE OF THIS EXTENSION SHALL BE THROUGH 12/31/95.	
		PRICING SHALL BE PER YOUR RATE SHEET DATED 3/3/93.	
		BASF DISTRIBUTION AND TRAFFIC DEPARTMENT AUTHORIZED PERSONNEL SHALL REQUEST ALL WORK AND SERVICES TO BE PERFORMED BY THE VENDOR AGAINST THIS BLANKET PURCHASE ORDER.	
		RELEASES AGAINST THIS BLANKET PURCHASE ORDER MAYBE USED FOR BOTH MAINTENANCE AND CAPITAL REQUIRMENTS, BUT SHALL NOT EXCEED \$10,000 PER RELEASE. FOR A JOB EXCEEDING \$10,000 A SEPARATE PURCHASE ORDER MUST BE ISSUED.	
		BASF MAY CANCEL THIS BLANKET PURCHASE ORDER AT ANY TIME DURING THIS PERIOD WITH NO CHARGE TO BASF CORPORATION FOR THE CANCELLATION.	

BASF TO REMIT TAX - TEXAS DPP# 1-16-1090809-4  
SALES OR USE TAX

ORDER IS SUBJECT TO THE TERMS AND CONDITIONS ON THIS SIDE AND ON THE REVERSE SIDE HEREOF, AND THE SELLER AGREES TO UND THEREBY. BY SHIPPING THE GOODS OR BY ACKNOWLEDGING RECEIPT OF THIS ORDER, SELLER AGREES TO SUCH TERMS AND ITIONS. ANY DIFFERENT OR ADDITIONAL TERMS IN SELLER'S ACCEPTANCE FORM, IF ANY, ARE HEREBY OBJECTED TO.

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BASF Corporation

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Order

BASF Corporation

**BASF**

COPPER ROAD

FREEPORT, TX 77541

(409) 238-6100

ENDOR NO: 20062301

P.O. NO.

F91392E8

HERCULES OFFSHORE DRILLING

11011 RICHMOND SUITE 500

HOUSTON

TX 77042

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BASF - FREEPORT PLANT SITE

602 COPPER ROAD

FREEPORT

TX 77541

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PAGE 2

DATE 07/26/89 SHIP VIA NOT APPLICABLE

NET 30

NOT APPLICABLE

RENDER ALL INVOICES IN TRIPLICATE TO:

BASF CORPORATION

ACCOUNTS PAYABLE

602 COPPER ROAD

FREEPORT TX 77541

QUANTITY	U/M	DESCRIPTION	PRICE
		ELJ/ES	
		ALL OTHER TERMS AND CONDITIONS OF OUR ORIGINAL ORDER REMAIN UNCHANGED AND APPLICABLE.	

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SALES OR USE TAX

ORDER IS SUBJECT TO THE TERMS AND CONDITIONS ON THIS SIDE AND ON THE REVERSE SIDE HEREOF, AND THE SELLER AGREES TO  
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BASF Corporation

BY

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Robert P. Engman, BASF Purchasing Agent

TNRCC Office: Region 12 - Houston

Location: BASF  
602 Copper Road  
Freeport, Texas 77541

Date/Time: September 9, 1997 / 10:55 am

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Engman advised that he was familiar with the situation involving BASF barges cleaned at Hercules. Engman reviewed a BASF Purchasing Department file which contained a purchase order for Hercules Offshore Drilling. Engman advised that this document was a blanket purchase order for work done with Hercules. He advised that the blanket purchase order number for Hercules was F91392.

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3. TBB had a flare to control emissions .

chase Order

BASF Corporation

**BASF**

2 COPPER ROAD FREEPORT, TX 77541 (409) 238-6100

VENDOR NO: 20062301

P.O. NO. F91392E8

HERCULES OFFSHORE DRILLING  
11011 RICHMOND SUITE 500  
HOUSTON

TX 77042

DATE: 07/26/89

RELEASE NO.

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BASF - FREEPORT PLANT SITE  
602 COPPER ROAD  
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CHANGE NO. 002

TX 77541

PAGE 2

DATE 07/26/89 SHIP VIA NOT APPLICABLE  
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QUANTITY	U/M	DESCRIPTION	PRICE
		ELJ/ES	
		ALL OTHER TERMS AND CONDITIONS OF OUR ORIGINAL ORDER REMAIN UNCHANGED AND APPLICABLE.	

BASF TO REMIT TAX - TEXAS DPP# 1-16-1090809-4  
SALES OR USE TAX

ORDER IS SUBJECT TO THE TERMS AND CONDITIONS ON THIS SIDE AND ON THE REVERSE SIDE HEREOF, AND THE SELLER AGREES TO BIND THEREBY. BY SHIPPING THE GOODS OR BY ACKNOWLEDGING RECEIPT OF THIS ORDER, SELLER AGREES TO SUCH TERMS AND CONDITIONS. ANY DIFFERENT OR ADDITIONAL TERMS IN SELLER'S ACCEPTANCE FORM, IF ANY, ARE HEREBY OBJECTED TO.

THE ORDER NUMBER MUST APPEAR ON ALL INQUIRIES, INVOICES, PACKING SLIPS, SHIPPING LABELS, PACKAGES AND DOCUMENTS.

NOTE: Direct all order-related communications to the purchasing dept. ■ Acknowledge orders in writing, confirming shipping date, price, routing, etc. ■ Mail shipping notice or memo on day of shipment. ■ All shipments must be fully prepaid. Submit original bill of lading where transportation charges are for Buyer's account. ■ Discountable invoices or net invoices will be paid on the Thursday of the week they fall due. Product code number appears on all packages, with the exception of empty containers.

BASF Corporation

BY

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Gerald "J" Brewer, Intertek Testing Services (ITS) Caleb Brett  
Operations Manager  
Charlie Bennett, ITS Caleb Brett Inspector

TNRCC Office: Region 12 - Houston

Location: ITS Caleb Brett  
214 N. Gulf Blvd.  
Freeport, Texas 77541

Date/Time: September 9, 1997 / 1:30 pm

On September 9, 1997, TNRCC Special Investigator (SI) Brian Lynch interviewed Gerald Brewer and Charlie Bennett at the Intertek Testing Services, Caleb Brett (ITS) office on Gulf Blvd. Road, Freeport, Brazoria County, Texas. SI Lynch identified himself to Brewer and Bennett as a criminal investigator with the TNRCC.

Brewer and Bennett advised Lynch that they both had done inspections of barges cleaned by Hercules Marine Services Corporation (Hercules) for BASF at the Hercules facility in Freeport. Brewer advised that he has worked at the ITS Freeport office since January 1996, and had conducted barge inspections at Hercules about 20 times. Bennett advised that he has worked at the ITS Freeport office since September 1993, and that he has done numerous barge inspections at Hercules.

Brewer advised that ITS conducts a visual inspection of BASF barges. He advised that BASF hires ITS to conduct these inspection to ensure the barge has been emptied of the material previously contained in the barge. He advised the inspection is merely visual which means that ITS looks into open hatches on the barge to look and see that the barge has been emptied and physically cleaned. He advised that ITS does not review the cleaning procedures used, but that he is sure that BASF gives Hercules barge cleaning procedures to follow.

Lynch asked who contacts ITS to come inspect BASF barges that had been cleaned at Hercules. Brewer advised that Juan Rivera and Larry (LNU) called him to come do BASF barge inspections at Hercules. Brewer also advised that he would review the BASF Barge Schedule and would telephone Larry (LNU) and ask when a specific barge listed on the BASF schedule to be at Hercules being cleaned was going to be ready for inspection. Brewer advised that when he called more often than not, Larry (LNU) would not know when the barge would be ready and he would tell Brewer that he would check on the status. Brewer advised that subsequently either Larry (LNU) or Rivera would call back and tell him when the barge would be ready for

inspection.

Lynch reviewed specific BASF barge work files which ITS maintained at their office. ITS provided copies of the documents maintained in these files (See attachment 1) . The files contained the final typed ITS Visual Tank Inspection Report, a hand written version of the report, the job time log, and the Hercules Barge Cleaning Report. Twelve work files on BASF barges that were cleaned during the time period of November 30, 1996 to April 27, 1997, on 11 separate dates were of interest to Lynch. Ten of the 12 barge cleaning reports incorrectly note that Butanol was the cargo cleaned from the vessel when the material cleaned was actually cyclohexane according to BASF records. Eleven of the 12 ITS inspection reports accurately note that cyclohexane was the last cargo carried on the barge. One of the reports mistakenly notes that butanol was the last cargo carried on the barge.

The documents contain the following information:

	<u>DATE</u>	<u>BARGE #</u>	<u>ITS INSPECTOR</u>	<u>HERCULES REP ON VESSEL</u>
1.	11-30-96	ETT110	Nathan Dempsey	not indicated
2.	12-6-96	ETT112	Charlie Bennett	Juan Rivera
3.	12-17-96	ETT115	Nathan Dempsy	Juan Rivera
4.	1-10-97	ETT112	Nathan Dempsy	Juan Rivera
5.	2-9-97	ETT110	Nathan Dempsey	Juan Rivera
6.	2-18-97	ETT115	Gary Carter	Juan Rivera
7.	2-22-97	ETT113	J. Brewer	Juan Rivera
8.	3-6-97	ETT114	J. Brewer	Juan Rivera
	3-6-97	ETT112	Gary Carter	Juan Rivera
9.	4-21-97	ETT112	Charlie Bennet	Juan Rivera
10.	4-23-97	ETT113	Gary Carter	Juan Rivera
11.	4-27-97	ETT112	Charlie Bennett	Juan Rivera

Charlie Bennet advised that he questioned Rivera more than once about the discrepancy between what was the actual last cargo hauled on the barge being inspected versus what Hercules reported on the barge cleaning report. Bennett advised that Rivera indicated that he did not know why the wrong information was written on the barge cleaning report. Bennet advised that it seemed strange to him that Hercules wrote the wrong information on this report. Bennett advised that his contacts at Hercules were Rivera, Claudio(LNU), and Larry (LNU). Bennett advised that when he had noticed these discrepancies at the time he was conducting the inspections, he discussed it with Brewer. Brewer agreed.

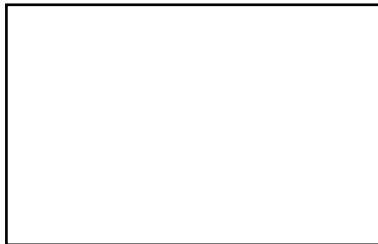
Bennett advised that several times over the past three years he observed Larry (LNU) walk on to a BASF barge and talk to Rivera for a short while and then walk off the barge.

Possible contact information for the following was provided:

Nathan Dempsey      pager # 409-235-6646  
Gary Carter &  
Sam Washington      SGS inspection company Deer Park, Texas

PERSONAL INFORMATION

Charlie Bennett



Gerald Brewer



Signed:

Brian Lynch

Date prepared:

September 15, 1997



Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Mickey Wayne Tiner, President  
Texas Boat and Barge

TNRCC Office: Region 12 - Houston

Location: telephonic

Date/Time: September 12, 1997 / 11:00 am

On September 12, 1997 TNRCC Special Investigator Brian Lynch interviewed Mickey Tiner by calling him at the Texas Boat and Barge (TBB) office telephone number 409/233-5539. The TBB office is located at 4115 East Flood Gate Road, Freeport, Brazoria County, Texas.

Lynch advised Tiner that BASF Purchasing Agent Bob Engman had told Lynch that Tiner told Engman Hercules was cleaning BASF barges with out a vapor control system. Lynch asked Tiner about conversations Tiner had with BASF personnel concerning barge cleaning and air compliance issues. Tiner advised that BASF Purchasing Agent Bob Engman called him because Chuck Glen gave Engman Tiner's name as a person who could provide barge service. Tiner advised that Glen had been involved with BASF on a new barge they were having built known at BASF as The Mule.

Tiner advised that when he first talked to Engman it was after the November 15, 1996, barge degassing regulations compliance deadline. He advised that he let Engman know he was not happy that BASF used Hercules Marine Services Corporation (Hercules) for barge service instead of TBB. Tiner advised that he told Engman Hercules was cleaning barges without a vapor control system. Tiner said that exactly what he told Engman was "I guess Mark Hanna will lose his incentive bonus". Tiner then said that he also told Engman "I'm surprised the President of BASF doesn't turn him lose". Tiner advised that the context in which he said these things to Engman was during his discussion about Hanna sending barges to Hercules when they did not have a vapor recovery system and were cleaning barges illegally.

Tiner advised that Engman told him that the Engineering Department at BASF was trying to gain control at BASF from blue collar workers who were mishandling business arrangements.

Tiner advised that several weeks later, after the telephone conversation, he went to lunch with Engman at the Windswept Restaurant in Oyster Creek, Brazoria County, Texas. Tiner advised that he picked up Engman and took him to lunch. Tiner advised during this meeting Engman told him BASF was trying to overcome the "lone cowboy stuff" of the blue collar people at BASF

handling business instead of letting purchasing and engineering handle these matters. Tiner advised that he understood BASF was trying to accomplish this change to avoid getting into binds like they were in with Hercules now.

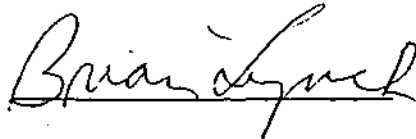
Tiner advised that Engman told him BASF Purchasing and Engineering personnel did not like the way Mark Hanna and Robert Peters had the Hercules business arrangement set up. Tiner said that Engman told him he would go back to BASF and see what he could do about getting TBB a blanket contract to provide barge service to give BASF another option on barge services.

Tiner advised that he had a second lunch meeting with Engman about four to six weeks after the first lunch meeting. Tiner advised that during this second meeting he told Engman that he knew Hanna did not like him (Tiner). Tiner said that Engman acknowledged that this was correct. Tiner said that he discussed with Engman his concern that Hanna was still sending barges to Hercules to be cleaned even though they were doing it illegally.

Tiner advised that after the second lunch meeting, Engman arranged for Tiner to get a master agreement between BASF and TBB. Tiner advised that Engman told him he was working on getting a preferred vendor status for TBB.

Lynch asked Tiner if Engman seemed concerned about what Robert Peters and Mark Hanna were doing in regards to the business arrangement with Hercules. Tiner said yes, Engman was concerned and that Engman told him he was going through procedures at BASF to correct the problem.

Signed:



Date prepared:

October 9, 1997

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Eric Moore  
Marine Chemist

TNRCC Office: Region 12 - Houston

Location: telephonic

Date/Time: September 15, 1997 / 2:00 pm

On September 15, 1997 TNRCC Special Investigator Brian Lynch interviewed Eric Moore by telephone. Lynch telephoned Moore's answering service at 713/724-7955 and they paged Moore who then called Lynch at his TNRCC Region 12 office.

Lynch asked Moore if he provided services to Hercules Marine Services Corporation (Hercules) in Freeport, Brazoria County, Texas. Moore advised that he was a marine chemist and that he provided marine chemist services to Hercules. Moore advised that his services involve health and safety issues. He said that he is hired to check atmospheric conditions inside tanks of barges after they have been cleaned at Hercules to determine if it is safe to weld and if it is safe for workers to breath inside and around the barge tanks. He advised the concern he looks at is for fire and explosion dangers that could be caused by welding if flammable chemicals have not been adequately removed from the barge tank. He advised that the other concern he looks at is the concentration in the barge tank atmosphere of the chemical last contained in the barge tank to determine the chemical exposure health risk for workers on the barges he inspects at Hercules.

Moore advised that he completes a Marine Chemist Certificate to document that he has inspected the barge for the safety concerns described above. He advised that this certificate is an official Fire Protection Association document that is recognized by the United States Coast Guard and in the Federal Code of Regulations. He advised that there is a "three cargo rule" that is addressed on the certificate. He advised the three cargo rule came about because of past history of explosions when it was not know what had last been in a tank that was having hot work or welding done on it. Moore advised that "three cargo "rule also was developed with a health stand point in mind.

Lynch advised Moore that he was reviewing Marine Chemist Certificate Serial Number H34519 that appeared to have been prepared by Moore and that addressed atmospheric test for oxygen and volatile organic compounds on a barge tank. Moore advised that he had completed such forms on Hercules jobs before. Lynch asked Moore if the name Larry was written on this document as the Survey Requestor who would this person be. Moore advised that Larry at

Hercules was Larry Ballinger the Hercules Shipyard Manager. Lynch asked Moore if Ballinger was ever the person who told him what the last cargo on a barge was. Moore advised that Ballinger sometimes did provide this information to Moore. Moore advised that usually the person who countersigned the certificate was who told him what the last three cargoes on the barge had been.

Lynch asked Moore if, as a Marine Chemist, he had any concerns if someone gave him false information for the last three cargoes held on a barge. Moore said that if he was provided the wrong information concerning the last three cargoes contained on a barge, this posed a safety risk. He explained that he sometimes checks the barge tank atmospheres with a dragger tube that only detects specific compounds. Moore explained that if he had been told the wrong information about the last cargo on a barge, he may use the wrong type of dragger tube causing the actual chemical last contained on the barge to go undetected.

Lynch asked Moore who he knew Juan to be at Hercules. Moore advised that Juan at Hercules would be Juan Rivera. He said that Rivera was nicknamed Johnny. Moore advised that "Cavo" is a nickname by which Claudio Duarte is known. Moore advised that Duarte is the foreman at Hercules and that Rivera probably could be a foreman because he knows what is going on at Hercules.

Moore advised that Larry Ballinger ran the Hercules shipyard.

Signed:

Brian Lynch

Date prepared:

October 9, 1997

Survey Requested by  
LARRYVessel Owner or Agent  
HERCULESDate  
21 APR 97Vessel  
ETT-112Type of Vessel  
TANK BARGESpecific Location of Vessel  
HERCULESLast Three (3) Cargoes  
BUTANETests Performed  
LEL - VISUALTime Survey Completed  
18:00CARGO TANKS No 1, 2 & 3WING TANKS No 1, 2, 3 & 4 - PORTSTARBOROSAFE FOR WORKERSSAFE FOR HOTWORKBALL RAKESTEAM PUMPOil # 4-5788  
Oil # 803 gm  
\$300.00

In the event of any physical or atmospheric changes adversely affecting the STANDARD SAFETY DESIGNATIONS assigned to any of the above spaces, or if in any doubt, immediately stop all work and contact the undersigned Marine Chemist.

**QUALIFICATIONS:** Movement of vessels from original location, transfer of ballast, or manipulation of valves or closure equipment tending to alter conditions in pipe lines, tanks or compartments subject to gas accumulation, unless specifically approved in this Certificate, requires inspection and endorsement or release of Certificate for the spaces so affected. All lines, vents, heating coils, valves, and similarly enclosed appurtenances shall be considered "not safe" unless otherwise specifically designated.

**STANDARD SAFETY DESIGNATIONS** (partial list, paraphrased from NFPA 306 Subsections 2-3.1 through 2-3.5, and Subsection 6-3.2)

**SAFE FOR WORKERS:** Means that in the compartment or space so designated: (a) the oxygen content of the atmosphere is at least 19.5 percent by volume; and that (b) toxic materials in the atmosphere are within permissible concentrations; and that (c) the residues are not capable of producing toxic materials under existing atmospheric conditions while maintained as directed on the Marine Chemist's Certificate.

**NOT SAFE FOR WORKERS:** Means that in the compartment or space so designated, the requirements of Safe for Workers have not been met.

**ENTER WITH RESTRICTIONS:** Means that in any compartment or space so designated, entry for work may be made only if conditions of proper protective equipment, clothing, and time are as specified.

**SAFE FOR HOT WORK:** Means that in the compartment so designated: (a) oxygen content of the atmosphere is at least 19.5 percent by volume, with the exception of inerted spaces or where external hot work is to be performed; and that (b) the concentration of flammable materials in the atmosphere is below 10 percent of the lower flammable limit; and that (c) the residues are not capable of producing a higher concentration than permitted by (b) above under existing atmospheric conditions in the presence of fire, and while maintained as directed on the Marine Chemist's Certificate; and further, that (d) all adjacent spaces containing or having contained flammable or combustible materials have been cleaned sufficiently to prevent the spread of fire, or are satisfactorily inerted, or, in the case of fuel tanks or tube oil tanks, or engine room or fire room bilges, have been treated in accordance with the Marine Chemist's requirements.

**NOT SAFE FOR HOT WORK:** Means that in the compartment so designated, the requirements of Safe for Hot Work have not been met.

**SAFE FOR REPAIR YARD ENTRY:** Means that the compartments and spaces of the flammable cryogenic liquid carrier so designated: (a) have been tested by sampling at remote sampling stations, and results indicate the atmosphere tested to be above 19.5 percent oxygen, and less than 10 percent of the lower flammable limit; or (b) are inerted.

**CHEMIST'S ENDORSEMENT:** This is to certify that I have personally determined that all spaces in the foregoing list are in accordance with NFPA 306 Control of Gas Hazards on Vessels and have found the condition of each to be in accordance with its assigned designation.

The undersigned acknowledge receipt of this Certificate under Section 2-6 of NFPA 306 and understands conditions and limitations under which it was issued.

This Certificate is based on conditions existing at the time the inspection herein set forth was completed and is issued subject to compliance with all qualifications and instructions.

Signed Charles DuarteSigned Kevin MooreSigned John**NOTE: THIS CERTIFICATE IS VALID ONLY ON MARINE VESSELS**

MARINE CHEMIST CERTIFICATE  
SERIAL NO. G 78952

700A97

HERCULES -

07:30  
Free Super Casino

SAFE FOR NETWORK

STERW 60x

0% LEL

$P_{10} = 0$  ppm uDC

Check 79400

3-5430

In the event of any physical or atmospheric changes adversely affecting the STANDARD SAFETY DESIGNATIONS assigned to any of the above spaces, or in any doubt, immediately stop all work and contact the undersigned Monitor Chemist.

**QUALIFICATIONS:** Movement of records from original location, transfer of labels, or manipulation of values or closure equipment leading to alteration in data must be accompanied by a certificate of qualification, unless specifically approved in this Certificate, require inspection and endorsement or release of Certificate for the species so affected. All the terms, testing data, values, and similarly require appearance shall be considered "not done" unless otherwise specifically designated.

**STANDARD SAFETY DISPOSITIONS** Special Ed. paraphrases from HPPA 205 Subsections 2-3.1 through 2-3.3, and Subsection 6-3.2.

**SAFE FOR WORKING:** Means that in the compartment or space designated: (a) the oxygen content of the atmosphere is at least 19.5 percent by volume; and that (b) toxic materials in the atmosphere are within permissible concentration; and that (c) the residues are not capable of producing toxic materials under existing conditions and maintained as directed on the Marine Chemical's Certificate.

**NOT SAFE FOR WORKERS:** Blame that in the competency of space as designated the requirements of Safe for Workers have not been met.

**ENTER WITH RESTRICTIONS:** Means that in any compartment or space so designated, entry for work may be made only if conditions of proper protective equipment, clothing, and time are as specified.

**SAFE (OR NOT) WORK:** We and the other respondents do not design (a) oxygen content of the atmosphere is at least 19.5 percent by volume, with the exception of vented spaces or where external hot work is to be performed, and that, (b) the concentration of flammable materials in the atmosphere is below 10 percent of the lower flammable limit, and that, (c) the method of purging of oxygen is controlled by (d) the use of an oxygen analyzer, and (e) the use of a flame arrestor, and (f) the use of a flame arrestor on the Marine Chemical's Compressor, and further, that, (g) an adequate tank or container is used to store the gas, and (h) the gas is not used to purge the tank sufficiently to prevent the spread of fire, or are satisfactory marked, or, in the case of fuel tanks or fuel oil tanks, or engine room or fire room bulges, has been tested in accordance with the Marine Chemical's requirements.

**NOT SAFE FOR HOT WORK:** Means that in the compartment so designated, the requirements of Safe for Hot Work have not been met.

SAFE FOR REPAIR WFO ENTRY Means that the compartments and spaces of the flammable cryogenic liquid carrier so designated, will have been tested by sampling at remote sampling stations, and results indicate the atmosphere tested to be above 19.5 percent oxygen, and less than 10 percent of the lower flammable limit, or both are met.

**CHEMISTS' ENDORSEMENT.** This is to certify that I have personally determined that all samples in the foregoing list are in accordance with NFPA 300 Control of Gas Hazards on Vessels and have found the condition of each to be in accordance with its assigned description.

I, the undersigned, acknowledge receipt of the Certificate under Section 2.4 of 40 CFR 226 and understand the terms and conditions under which it was issued.

The Certificate is based on confidential working at the time the investigation thereof begins, and is subject to termination at any time, without notice and without cause.

Sound

Signed \_\_\_\_\_

**NOTE: THIS CERTIFICATE IS VALID ONLY ON MARINE VESSELS**

2024.7.4日

**VESSEL POSTING**

Printed in U.S.A.

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Robert P. Engman, BASF Purchasing Agent

TNRCC Office: Region 12 - Houston

Location: 948 Mulberry  
Brazoria, Texas 77422

Date/Time: September 16, 1997 / 6:05 pm

On September 16, 1997, TNRCC Special Investigator (SI) Brian Lynch re-interviewed Robert Engman at his residence on 948 Mulberry, Brazoria, Brazoria County, Texas. Lynch advised Engman that he wanted to ask additional questions concerning discussions he said he had with Mickey Tiner at Texas Boat and Barge (TBB) about Hercules Marine Services Corporation (Hercules) cleaning barges for BASF without the required vapor control system during a previous interview conducted by Lynch on September 9, 1997. Engman said he was willing to answer such questions.

Engman advised that Chuck Glen told him about Mikey Tiner and TBB. Engman advised that Glen had been involved with a new barge being built for BASF known as "The Mule". Engman advised that Glen told him that the TBB location would lessen the problems that were experienced at Hercules due to odor complaints from neighbors that lived near Hercules.

Engman advised that he telephoned Mickey Tiner before Christmas 1996. He advised that Tiner almost hung up on him and that Tiner was mad at Glen and BASF. Engman advised that he and Tiner agreed to meet at a later date. He advised that he and Tiner also talked after Christmas.

Engman said that he and Tiner went to lunch at Windswept Restaurant in Oyster Creek, Brazoria County, Texas. He advised that Tiner expressed concerns for uncontrolled air emissions and waste water dumping at Hercules. Engman said that he went back to BASF and talked to Mark Hanna and discussed the problems about which Tiner told him. Engman advised that Hanna had been the lead guy at BASF on wanting to use Hercules.

Lynch asked Engman what it meant to him when Tiner told him that Hercules did not have a flare. Engman said that Hercules not having a flare meant that Hercules was letting emissions from cleaning the barges go to the atmosphere. Engman said that he told Hanna what Tiner told him about Hercules letting barge cleaning emissions go to the atmosphere. Engman said that Hanna told him that this activity was "grand fathered".

Engman advised that he did go to lunch twice with Tiner. He advised that the second time they

met was quite a while later. He advised that when they met the second time TBB did not yet have a blanket purchase order with BASF. He advised that he recalled it was raining the second time they went to lunch. Engman advised that during the second meeting Tiner seemed very discouraged that he was putting money to install required technology while the TNRCC was not enforcing the rules that required the technology he installed to control emissions from cleaning barges. Engman said that Tiner told him that Hercules and other barge cleaning companies in the area were not installing the required emission control devices.

Engman advised that he met with Hanna and told him that they needed to look at the regulations and see where they should take BASF barges to be cleaned. Engman advised that he told Hanna BASF needed to be sending their barges to cleaning facilities that are operating in compliance with the regulations.

Engman then advised that it was obvious that there was work going on in the barge cleaning industry. Engman explained that Trinity Platzer was building "The Mule" and he observed when he was there that Platzer was putting in an emission control device.

Lynch asked Engman if he discussed the Hercules problems with BASF Environmental Manager Bobby Atkins. He advised that he did talk to Atkins about the waste water dumping at Hercules. Engman said that Atkins response was that the waste water was Hercules' waste not BASF's as long as the barges were RCRA empty when they left BASF.

Lynch asked Engman if he made Robert Peters aware of the emission control requirements not being met at Hercules. Engman advised that Peters was probably aware of the emission control requirements in general because he had been at Platzer when Neal Platzer discussed having to install a flare and other up grades because of a regulation change. Engman advised that he was at Platzer with Peters several time during the time period of April 1996, until April 1997.

Engman advised that Chris Nielsen is the Freeport Procurement Service Director over Accounting, Purchasing, Logistics, and Computer Services at BASF. He advised that Hanna reports to Bubba Moore, Logistics Manager, and Moore reports to Nielsen.

Engman advised that Hanna and Peters work together a lot. He said that quite often Peters goes into Hanna's office. He advised that Peters and Hanna seem to work together on a daily basis.

Engman advised that when Hanna told him that the emission controls were not required at Hercules he seemed to know what he was talking about. Engman advised that when he had this discussion with Hanna it was after the first lunch meeting with Tiner and before Hercules was discovered to be illegally cleaning barges in violation of the air rules. He advised that he had this discussion with Hanna in about the February to March 1997 time frame.

Lynch asked Engman if Peters or Hanna acted surprised when Hercules got caught by the TNRCC illegally cleaning barges. He advise that Peters said he was surprised that there was a



problem with cleaning those barges and surprised that Hercules was not able to do it. Lynch asked Engman if he took an "I told you so" attitude with Hanna. Engman said "Yeah, a little bit". Lynch asked Engman what did Hanna say when Hercules got caught. Engman advised that he sat down with Peters and Hanna to talk about where to send the cyclohexane barges since Hercules could no longer clean them. He advised that they had this meeting the day that Hercules was caught. Engman advised that Hanna said that Larry Ballinger had misled him. Suddenly Larry Ballinger was gone. Peters and Hanna came to Engman and said we need a new vendor. Engman advised that while he met with Peters and Hanna they made a conference call on the speaker phone to the lady Office Manager at Hercules and asked for Ballinger. Engman advised that they had been put off about three or four times. He advised that finally this lady said Ballinger had packed up his stuff and left Hercules.

Engman advised that Hanna and Peters told him they thought the TNRCC inspection was routine, but after the call that Hercules could not clean any more cyclohexane barges, and Ballinger departing Hercules, it looked like something with the cyclohexane barge cleaning by Hercules was wrong. Engman advised that Hanna and Peters were asking where could they go that has the proper control devices.

Engman advised that Hanna seemed surprised that Hercules could not clean the cyclohexane barges. Lynch asked Engman if he was surprised. Engman said "yeah, I believed Hanna".

Signed:

Brian Lynch

Date prepared:

October 9, 1997

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Chris Nielsen, BASF Freeport Procurement Service Director

TNRCC Office: Region 12 - Houston

Location: telephonic

Date/Time: September 18, 1997 / 5:30 pm

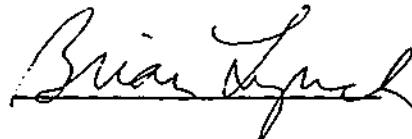
On September 18, 1997, TNRCC Special Investigator (SI) Brian Lynch interviewed Chris Nielsen telephonically. Lynch was paged and he returned the page by calling 409/238-6123. Nielsen answered the telephone at this BASF number.

Ms. Nielsen told Lynch that she had not set in on previous interviews prior to the Mark Hanna interview, but after hearing this interview she was concerned with the direction of the questions she heard. Nielsen advised that she spoke to Bob Engman and he told her that Micky Tiner of Texas Boat and Barge told him they built a flare, existing guys don't have to have a flare, and this created an unfair advantage to existing barge cleaning facilities, but that he would be ready with his flare in place. Nielsen said that if the investigation was leading to BASF she needed to know.

Lynch reminded Nielsen that he told her up front, the first thing, that he had received information that Mark Hanna had been told Hercules did not have the required vapor control system in place by Mickey Tiner and Bob Engman. Lynch advised Nielsen that he would follow the facts of the case wherever they lead in the investigation. Lynch told Nielsen that cooperation on the part of BASF was purely voluntary and that he respected their right to not provide documents if they did not wish to do so. Lynch also told Nielsen if BASF employees did not wish to talk to Lynch that was up to them. Nielsen indicated she understood and told Lynch he could come to BASF the following day to pick up documents that had been requested.

Nielsen advised that Engman told her Tiner was trying to make a sales pitch, saying that it was unfair that existing barge cleaning facilities did not have to install controls when new facilities did. She advised that both Engman and Hanna told her they did not feel Tiner was trying to warn them about Hercules.

Signed:



Date prepared: October 10, 1997

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Mark Hanna, BASF Customer Technical Services Representative  
The following individual were present during the interview:  
Bobby Atkins, BASF Environmental Team Leader  
L. H. "Bubba" Moore, BASF Logistics Manager  
Chris Nielsen, Freeport Procurement Service Director

TNRCC Office: Region 12 - Houston

Location: BASF  
602 Copper Road  
Freeport, Texas 77541

Date/Time: September 17, 1997 / 8:55 am

On September 17, 1997, TNRCC Special Investigator (SI) Brian Lynch interviewed Mark Hanna at the BASF office on Copper Road in Freeport, Brazoria County, Texas. SI Lynch identified himself as a criminal investigator with the TNRCC. Lynch advised Hanna that he was investigating the cleaning of barges from BASF at Hercules Marine Services Corporation (Hercules) that had contained cyclohexane, that he was interested in the time period from November 1996 to present, and that he would like to ask questions concerning this matter. Hanna said, "I have nothing to hide" and answered Lynch's questions. Bobby Atkins, Hanna's supervisor Bubba Moore, and Moore's supervisor Nielsen were present during the interview. Prior to Hanna's arrival in the office where the interview was conducted, Lynch advised Atkins, Moore, and Nielsen that Mickey Tiner, owner of Texas Boat and Barge and BASF Purchasing Agent Bob Engman told Lynch that they had informed Hanna that Hercules did not have the required vapor control system in place to clean BASF barge.

Hanna advised that he had been in Robert Peters current position of Logistics Coordinator for three and one-half years prior to Peters taking the position in November 1995. Hanna advised he has been in his current position for one and one-half years.

Lynch asked Hanna why he attended the May 1997 meeting with TNRCC when they came asking to look at records concerning barges BASF sent to Hercules to be cleaned since he was no longer in Logistics. Hanna advised that he was trying to help Peters and added that he worked closely with Peters.

Lynch asked Hanna if he received a call from someone at Hercules regarding the cyclohexane barges from BASF at Hercules. Hanna responded yes, and then explained that Tom Horde called him about the situation to assess what was going on with cleaning of hexane barges. Hanna

advised that this call was after the two TNRCC ladies left, on that day, or the next day.

Lynch asked Hanna why were the two TNRCC ladies at BASF. Hanna responded that they were trying to find out about BASF activity at Hercules. Lynch asked if they told him that there had been a complaint against Hercules. Hanna said that he does not recall. Hanna then said that they told him they had been to Hercules to look at records and wanted to review BASF records to check activity.

Hanna advised that he did not receive a call from Hercules before his first meeting with the TNRCC ladies. He advised that they returned to get copies of the records they reviewed during the first meeting, but he did not see them on the second date, and that BASF Secretary Suzette Johnson provided them with the copies of records they requested.

Hanna then advised that he thought Horde called him the following day after the first TNRCC meeting. He advised that Horde was not sure of the circumstances surrounding the situation. Then Hanna advised that it may have been that he called Horde instead of Horde calling Hanna.

Hanna advised that he wanted to retrieve his day planner to review his notes to refresh his memory. Hanna returned with his day planner and located the date of May 5, 1997, where it was noted that Becky Ohler requested Hercules records for the dates February through April 1997. He advised that Ohler and the second TNRCC lady came back on May 7, 1997, to pick up the requested records.

Hanna advised that they (BASF personnel) were concerned about an interruption of business at BASF since Hercules could no longer clean cyclohexane barges. He advised that he spoke with Horde about this problem right after it came up, and one or two more times after that. Hanna advised he never spoke with Horde prior to the discovery of this problem.

Hanna advised that he usually dealt with Larry Ballinger and Jimmy Jackson at Hercules back when he was setting up the deal to use Hercules for barge service. He advised that Jackson left for a short while but was back at Hercules. He advised that he had not talked with either of them for a long while.

Lynch asked Hanna if he ever spoke with Mickey Tiner at Texas Boat and Barge (TBB). Hanna said he spoke with Tiner a long time ago. Hanna then said that the law became effective in November 1996. Lynch asked Hanna what law was he talking about and Hanna advised it was the one concerning product cleaned from barges with a vapor pressure of greater than 0.5 psi that must have vapor control. Lynch asked Hanna when did he last talk with Tiner. Hanna advised he went to the TBB when he was still in the Logistics Coordinator position, so it had to be at least one and one-half to two years ago. Hanna then said that he could not say Tiner had never called him since the time he went to TBB, but that he was sure he never spoke with Tiner after November 1996. Hanna said he just responded if Tiner called but that he did not put much attention to Tiner's calls.

Lynch asked Hanna if Tiner ever discussed vapor control requirements for barge cleaning facilities. Hanna said yes, Tiner discussed vapor control requirements at his facility as a new facility. Lynch asked Hanna if Tiner ever discussed the new law for vapor control of barge cleaning facilities with the November 1996 compliance deadline. Hanna said he does not recall if Tiner ever discussed these vapor control requirements with the November 15, 1996 compliance deadline.

Hanna advised that cyclohexane was the only chemical BASF handled by barge with a vapor pressure greater than 0.5 psi. He advised that BASF has handled cyclohexane all along.

Lynch asked Hanna if Tiner ever told him Hercules did not have a vapor control system in place. Hanna said that he does not recall that happening.

Lynch asked Hanna if Tiner ever indicated that BASF could not send certain barges to Hercules because they had no vapor control system for the barge cleaning operation. Hanna said that he does not recall that happening.

Lynch asked Hanna if he ever discussed the need for a vapor control system at Hercules with Larry Ballinger. Hanna advised that he only discussed an emission control system for acrylic acid (ester grade), butyl acrylate, and 2 ethyl-hexyl acrylate.

Lynch asked Hanna if Ballinger ever told him that Hercules had a vapor control system in place to handle volatile material. Hanna advised that he only discussed an emission control system for the three chemicals he just mentioned. Lynch then asked Hanna did anyone bring up questions about Hercules that made him wonder if they had a vapor control system. Hanna said no, he trusted Hercules to handle their business properly.

Lynch asked Hanna did BASF Purchasing Agent Bob Engman ever raise questions about Hercules not properly handling barge cleaning for BASF. Hanna said, "I don't remember any conversation to that effect". Hanna then said nothing came up that raised questions about improper cleaning practices at Hercules, no.

Lynch asked Hanna did any conversations along these lines of Hercules not having a vapor control system in place come up in 1997. Hanna responded, "no". Lynch asked Hanna if any such conversations came up in the past. Hanna responded "no".

Lynch asked Hanna if he had been to Hercules. Hanna said yes, he has been to Hercules many times and that the last time he was there was a few weeks ago. Hanna said that Ballinger was still working at Hercules part time as a consultant. Hanna advised that Robert Peters told him about Ballinger's employment arrangement with Hercules.

Lynch asked Hanna if he spoke with Ballinger when he was at Hercules recently. Hanna said that he does not recall if Ballinger was there for sure while he was there. He advised that he did

recall meeting with Jimmy Jackson at Hercules recently.

Lynch asked Hanna if he has asked Ballinger about the situation with the BASF cyclohexane barges. Hanna advised that he has kept his distance from Ballinger. He advised he has wondered about the situation, but has not pursued questioning Ballinger about it.

Lynch then asked Hanna if he was saying that he had not asked any questions about the situation with Hercules and the BASF cyclohexane barges. Hanna said that he did ask Horde and Horde told him Hercules was not to be cleaning cyclohexane barges.

Lynch asked Hanna if he ever noticed the thermal oxidizer at Hercules. Hanna said he did notice this device when he was recently at Hercules. He said that Peters pointed out the unit to him and said it would be used as the vapor control device. Lynch asked Hanna if anyone ever represented to Hanna that Hercules would use the thermal oxidizer to control emissions prior to the time Hercules was caught by the TNRCC. Hanna said no, he does not recall ever seeing it.

Signed:

A handwritten signature in cursive script, appearing to read "Brian Lynch", is written over a horizontal line.

Date prepared:

October 10, 1997



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

Witness Narrative Statement

City of Freeport State of Texas  
Date: September 22, 1997 Case Number: CR-F477-058

OFFICE OF ENFORCEMENT

I, Juan Rivera, make this statement as a voluntary act on my part, prompted by my desire to tell the facts, and I do not expect to gain any reward or special consideration by reason of having made this statement.

I am  years old and reside at

I have worked at Hercules Marine Services for about 18 years since 1979. My duties at Hercules have been washing tanks and pipelines on barges. My duties included blowing the lines to make sure they were empty when I accompanied the Caleb Brett inspectors who were conducting visual inspections to make sure there was no chemical or liquid in the line or cargo tanks. I would make copies of the barge cleaning report for the Caleb Brett inspectors. Also I would make copies of the Caleb Brett Time Log and Inspection Report for Hercules. I made these copies in the office at Hercules after Caleb Brett inspectors finished their inspection. I noticed sometimes the cleaning reports showed Normal Butanol when the chemical that had been on the barge was cyclohexane. I signed an Employee Hazardous Materials Training Program document for each barge that I helped clean when we would have a meeting and discuss the chemical to be cleaned from the barge. I noticed that there were times when we would open the barge and it contained a different chemical than we had just discussed in



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

Witness Statement Conclusion

Statement of Juan Rivera

Case Number: \_\_\_\_\_

OFFICE OF ENFORCEMENT

the meeting. I recall that normal butanol was written on the document but I found cyclohexane on the barge. I recall one time Claudio Duarte told me to tell Coleb Brett the chemical on the barge was normal butanol instead of cyclohexane. I knew the barge really had contained cyclohexane because I had cleaned it. Claudio told me that Harry Ballinger told him to say the barge had last contained Normal Butanol instead of cyclohexane. I asked Special Investigator Brian Lynch to write this statement for me but the words and content of this statement are my own.

I have read the foregoing statement and I have been given an opportunity to make corrections. All of the facts contained herein are true to the best of my knowledge.

Date: September 22, 1997

(Signed) Juan Rivera

Brian Lynch  
Special Agent, EPA/CID

Witnessed: Andrew Lee

Special Investigator, TNRC

SPECIAL AGENT, U.S.E.P.A.

Page 2 of 2 Pages

CID Form: 050 (11/1/95)



PERSONAL HISTORY SHEET

1. NAME: Rivera, Juan, Luis  
(LAST, FIRST, MIDDLE) *en ss card*
2. ALIASES, AKA: Johanna OC TI
3. HOME ADDRESS:
4. TELEPHONE NUMBER:
5. DATE OF BIRTH:
7. PLACE OF BIRTH:
9. SOCIAL SECURITY:
10. DRIVERS LICENSE:
11. HEIGHT/WEIGHT:
13. EMPLOYER: Her Marine Service
14. BUSINESS ADDRESS: 906 Marlin Drive  
Frederick TX
15. TELEPHONE NUMBER: (409) 237 6371
16. POSITION:  - barge cleaning crew
17. LENGTH OF EMPLOYMENT: 18 years
18. POSITION/RESPONSIBILITIES: barge cleaning
9. PROFESSIONAL CERTIFICATION/LICENSES: \_\_\_\_\_

OFFICIAL USE ONLY

Environmental Protection Agency  
Criminal Investigation Division

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Dr. Harry M. Walker  
Environmental Consultant

TNRCC Office: Region 12 - Houston

Location: 3321 E. Bayou Drive  
Dickinson, TX 77539

Date/Time: September 24, 1997 / 9:00 am

On September 24, 1997, TNRCC Special Investigator (SI) Brian Lynch interviewed Dr. Harry M. Walker in his office at his residence at the above described location. Lynch advised Walker he was conducting a criminal investigation of Hercules Marine Service Corporation (Hercules) related to vapor control requirements on barge degassing activities. Walker indicated he was willing to talk with Lynch.

Walker advised that he had been hired by Hercules to submit an air permit application for their facility in Freeport in about 1994. He advised he told Hercules representatives what would be required for them to do to be able to obtain the permit. He advised that he submitted a permit application for Hercules. Walker advised Hercules decided they could not obtain the permit. He advised that this occurred about two years before the November 1996 compliance date for the regulations on degassing or cleaning of stationary, marine, and transport vessels. Walker advised that Hercules decided they could continue to operate as they always had without a permit until the November 1996 compliance date. He advised the reason they made this decision was because they were practically out of the barge cleaning business anyway.

Walker advised that initially in about 1994 he dealt with Jessie Camacho who was in charge of field activities at Hercules and he dealt with an office manager named Sylvia (LNU) concerning office matters. He advised that he met once with Tom Horde and Tom Seward in the 1994-1995 time frame. Walker recalled that in the meeting with Horde and Seward he told them in general what was needed to get a system in place to comply with the upcoming vapor control requirements by November 1996. He advised that when he met with these two they were committed to the purchase of a thermal oxidizer as the vapor control device they would use. Walker advised that his understanding was the Hord and Seward were mainly concerned with the Hercules Offshore business.

Walker advised that around the time of the November 1996 compliance date, Hercules came back to him and wanted to finalize the permit which he had initially worked on in 1994. He advised he believed it was Larry Ballinger who contacted him at this time. Walker advised that

he reopened contact with TNRCC and had to resubmit the permit application because so much time had passed since the original submission. He advised that he encountered problems working out technical details on the application with TNRCC Air Permit Engineer Kate Hauer. Walker advised that after he had started back working on the permit application for the thermal oxidizer vapor control system he received a telephone call from Kate Hauer telling him that TNRCC interpretation of the rules did not require a construction permit for the thermal oxidizer vapor control system because it only involved abatement of emissions. He advised that he then worked on submission of the Standard Permit Application for Hercules. He advised that he had to get Tom Horde to sign the application as an officer of the corporation, but that he did not discuss the permit with Horde. He advised that TNRCC approval of the Standard Permit allowed Hercules to go forward with the installation of the thermal oxidizer vapor control system.

Walker advised that during this time in late 1996, he had conversations with Larry Ballinger and he went to the Hercules facility. He advised at that time during his discussions with Ballinger he told Ballinger that Hercules could not remove material with vapor pressure greater than 0.5 psia until after the vapor control system was working. Walker advised at that time Ballinger told him he had purchased or was about to purchase the 18 inch pipe needed to hook up the thermal oxidizer. Walker advised he did not think Hercules had faced up to the purchase of a major blower that had to be purchased for the vapor control system. Also, Walker said they had not yet constructed the concrete slab where the thermal oxidizer would be located when he was at Hercules in late 1996. He advised the unit was still sitting on timbers at the facility when he was last there.

Walker advised that in late 1996 he offered to work on any engineering changes that might be needed, but Hercules did not take him up on his offer. He advised that he did not recommend material with a high vapor pressure such as benzene or cyclohexane to be handled by the thermal oxidizer. He advised that air dilution would be required to avoid explosive atmosphere in the system and so it would take several days to degas a barge which had contained such materials.

Walker advised that cyclohexane was important to Hercules all along because they cleaned a lot of barges that had contained this material. He advised the thermal oxidizer system was not good for handling cyclohexane unless one wanted to take about three days to burn it off. He advised it would be slow and would cost fuel. He advised that he submitted a written document to Hercules which listed chemicals they could process in the thermal oxidizer easily and which listed chemicals that would take time to process and be infeasible for them to handle.

Walker said that he has not been in contact with anyone from Hercules for several months. He advised that Hercules always paid their bill but were slow in paying.

Signed:

Brian Lynd

Date prepared:

September 24, 1997

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: John C. Hilliard, Southwest Shipyard, L.P. President/CEO  
Sanjay Rao, Southwest Shipyard, L.P. Operations

TNRCC Office: Region 12 - Houston

Location: Southwest Shipyard, L.P.  
18310 Market Street  
Channelview, Texas 77530

Date/Time: September 24, 1997 / 11:00 am

On September 24, 1997, TNRCC Special Investigator (SI) Brian Lynch interviewed John Hilliard and Sanjay Rao in Mr. Hilliard's office at the above described location. Lynch advised Hilliard and Rao he was conducting a criminal investigation of Hercules Marine Service Corporation (Hercules) related to vapor control requirements on barge degassing activities. Hilliard and Rao indicated they were willing to talk with Lynch.

Rao advised that he began working at Southwest Shipyard (SS) in November 1996, and that from November 1, 1996 until November 14, 1996, SS received intense pressure from their customers to not install a vapor control system. He advised that the customers were reacting to information they received from other barge cleaning facilities. Rao advised other barge cleaning facilities told the customers it would take an increased amount of time to clean the barges if the vapors had to be controlled by burning them in a control device. He advised the fear of the customer was that there would be a back log at the barge cleaning docks and it would keep their barges tied up at the dock waiting to be cleaned and would cost them money.

Hilliard advised that the barge industry had lobbied the TNRCC heavily and was trying to cause the vapor control regulations to be less stringent or to be put off. He advised the barge industry wanted to stick together and if none of these businesses complied with the vapor control regulations they hoped they could cause a change in the regulations favorable to their industry. He advised that this was why SS was pressured to not install and operate their vapor control device.

Hilliard advised that the barge industry in Houston was well aware that the requirements to control vapors from cleaning and degassing barges were coming. He advised that meetings were held by the American Bureau of Shipping, the Chemical Transportation Advisory Committee associated with the United States Coast Guard (USCG), and the American Waterways Shipyards discussing the upcoming regulations on vapor control of barge degassing and cleaning operations. He advised that barge cleaning businesses are often members of these professional

organizations. Hilliard advised that originally, November 15, 1995 was going to be the compliance date for these vapor control regulations, but it was postponed until November 15, 1996, because the USCG submitted a letter to the TNRCC expressing safety concerns. Also, he advised that industry expressed concerns for time delays to clean and degas barges which the regulatory requirements would cause.

Hilliard advised that SS scrambled to have their vapor control system operational by the compliance date of November 15, 1996. However, he said they were punished by their customers for doing so. Hillard said their business dropped off drastically in the month of November 1996. He advised that Channel Shipyard and Newpark Shipyard were loaded with business at this time. Hilliard advised that SS did not see an increase in barge cleaning and degassing vapor control work, but instead saw a decrease in business overall.

Hilliard advised that there was an individual going to all the barge cleaning facilities in the Houston area trying to market mobile flares as a means of complying with the vapor control regulations. He advised that he did not believe the man had any success finding a market in the Houston area for these devices. Rao provided a copy of information the individual provided to SS. The document shows that K. Casey Youh, President of Weeco International to be the individual who was trying to market the mobile flares in Houston in November 1996 (See attached document).

Signed:

Brian Lynch

Date prepared:

September 24, 1997

**WEECO**

**INTERNATIONAL**

THE WORLD LEADER IN VOC EMISSION CONTROL & TANK DEGASSING

10: 10/1/96  
PFI

November 4, 1996

Via FAX to 281-860-3239

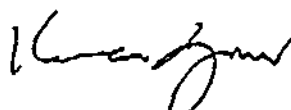
Dear Mr. Hilliard,

It was a pleasure to talk to you earlier today. I am attaching summary information on our thermal oxidizer.

As we discussed, I would like to pursue a lease arrangement under which you would be the primary user of the thermal oxidizer and WEECO an occasional user (say, once a week).

Please let me know of your thoughts. Thanks.

Sincerely yours,



K. Casey Young, President

1502 CHINCHER  
HOUSTON  
TEXAS 77025

PHONE (713) 669-1933  
FAX (713) 669-0939  
E-MAIL YOUNG@RITER.COMPUTIZE.COM

pager 279-8729

**HMT THERMAL SYSTEMS, INC.  
THERMAL OXIDIZATION SYSTEM**

**FOR  
TANK DEGASSING**

**Design Specification Summary**

- |                                   |  |
|-----------------------------------|--|
| 1. Thermal Oxidizer Model Number: | AKI 4000T  |
| 2. Type of Oxidizer:              | <u>Horizontal</u> Trailer Mounted                                    |
| 3. Manufacturer:                  | HMT Thermal Systems, Inc.<br>23834 Tomball Pkwy<br>Tomball, TX 77375 |
| 4. Serial #:                      | A3059  |

**VOC Fume Stream:**

- |                                    |                         |
|------------------------------------|-------------------------|
| 5. Process Vent/Exhaust Flow Rate: | <u>1,000</u> SCFM       |
| 6. Inlet Temperature:              | Ambient                 |
| 7. VOC Composition:                | Various                 |
| 8. VOC's Destruction Capability:   | $10.0 \times 10^6$ BTUH |

**Process Design:**

- |   |                        |
|---|------------------------|
| 9. Process Vent Flow:                   | 1,000 SCFM             |
| Combustion - Dilution Air:              | 3,000 SCFM             |
| Primary Air Blower                      | 100 SCFM               |
| Total Flow - System Capacity:           | 4,100 SCFM             |
| 10. Design Operating Temperature:       | <u>1400°F - 2000°F</u> |
| 11. Retention Time:                     | 0.6 second             |
| 12. Hydrocarbon Destruction Efficiency: | <u>98.0%</u> plus      |

13. Burner Capacity:  $8.5 \times 10^6$  BTUH
14. Burner Manager Systems: Honeywell
15. Gas Train Size: 2" IRI approved
16. Combustion/Dilution Air  
Blower Type: Buffalo Blower  
Capacity: 3000 CFM @ 8" S.P. H<sub>2</sub>O  
Motor HP: 2.0 HP, EXP
17. Vacuum Blower: Paxton  
Capacity: 1,000 CFM  
Pressure: 5" HG  
Motor HP: 15 HP, Exp

**Construction:**

18. Shell Construction: 3/16" Steel - Primed & Painted
19. Insulation:  
Combustion Chamber Cast Refractories  
After Burner Performed Refractory Tube.
20. Trailer: 38' - 0" L X 8' - 0" W Bed Foot  
Dual Axle - 28,000lbs capacity  
Bed Height is Approximately 42"  
from ground level.
21. Control Panel: NEMA-4 control panel with temp  
controller high limit Burner Mang.  
Systems, Switches, and indicating  
lights.
22. Digital Controllers  
Temperature Controller: Honeywell UDC3000  
Combustion Air Controller: Honeywell UDC3000  
Hydrocarbon Inlet Controller: Honeywell UDC3000
23. Chart Recorder Yokogawa Model # 4156-6

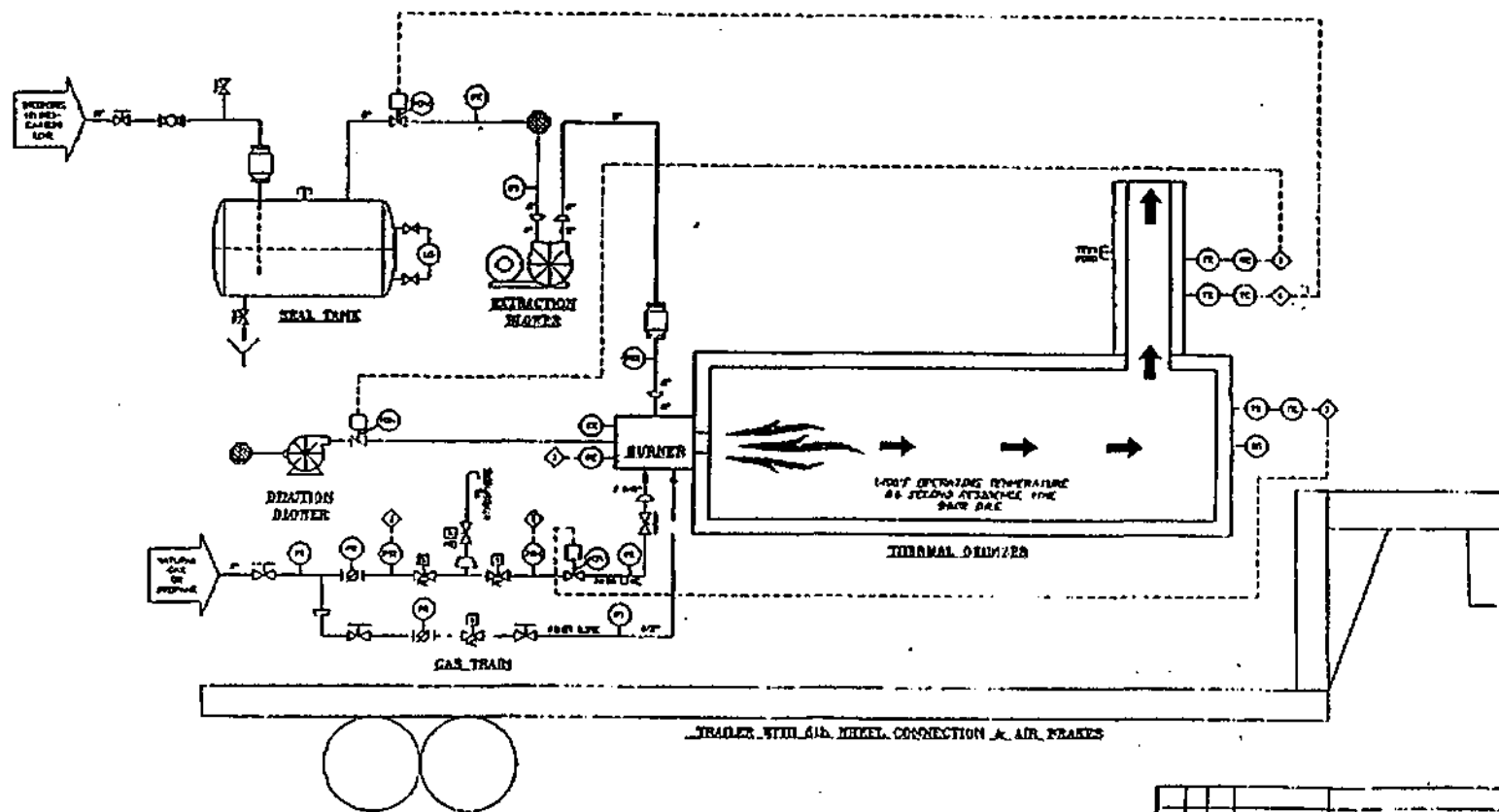


### Other Major Features:

- |   |  |
|---|--|
| 24. Flame Arrestor:   | Enardo-Flanged 8" connection 12" cell  |
| 25. Liquid Seal:  | Horizontal Liquid Seal Tank with Flanged Inlet/Outlet, Drain, Sight Glass, Quick Fill Line, Float Switch, and Bypass Isolator. Supplemental Storage Tank.  |
| 26. Safety Shutoff Valve:   | Automatic with 8" Shutoff Valve electric Actuator Interlocked with Flame Monitoring System   |
| 27. Automatic Dilution Air:   | Modulating type Valve in the Combustion Air Line Dilution Valve Interlocked with Temperature Controller. If the Oxidizer Temperature keeps rising above set point this will modulate and allow more fresh air and there by less waste gas. |
| 28. Monitoring Equipment<br>Inlet Hydrocarbon Analyzer:<br>Outlet Hydrocarbon Analyzer: | Beckman Model 880<br>Beckman Model 400A  |

### Utilities:

- |                                 |   |
|---------------------------------|---|
| 29. Natural Gas:<br>or Propane: | 8,500 CFH (max)<br>5 psi-10 psi                       |
| 30. Power Supply:               | 480Volt 3 Phase 60HZ<br>On Board Lima 3600S Generator |



PROJECT		DATE		APPROVALS	
A2059		10/10/96		[Signature]	
DESIGNER		DATE		APPROVALS	
[Signature]		10/10/96		[Signature]	
CHECKED		DATE		APPROVALS	
[Signature]		10/10/96		[Signature]	
DRAWN		DATE		APPROVALS	
[Signature]		10/10/96		[Signature]	
PROJECT TITLE		PROJECT NO.		PROJECT CODE	
TANK DEGASSING UNIT		A2059		A2059FD	

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Melvin L. Richardson

TNRCC Office: Region 12 - Houston

Location: Kirk's Handy-Way  
State Highway 36 at Black's Ferry Road  
Three miles north of Brazoria, Texas

Date/Time: October 13, 1997 / 8:07 am

On October 13, 1997, TNRCC Special Investigator (SI) Brian Lynch interviewed Melvin Richardson at the above noted location. Lynch advised Richardson he was conducting a criminal investigation related to the cleaning of cyclohexane barges from BASF at Hercules Marine Services Corporation (Hercules) and that he wanted to ask questions concerning related documents with which Mr. Richardson was familiar. Richardson advised he was willing to answer Lynch's question.

Richardson advised that his company Richardson's Tankerman loads and unloads barges under contract as a tankerman company for BASF at the BASF dock. Richardson showed Lynch a document labeled Written Job Instruction (WJI), and titled, "barges coming from Hercules Shipyard, that are being loaded, after cleaning". He advised that he used this document at BASF as written procedures for his workers to follow when loading a barge at BASF that came from Hercules. He advised that the WJI was established to avoid cross contamination of product which his company loaded onto barges for BASF. Richardson said that he wrote this WJI, but that Mark Hanna, then BASF Logistics Coordinator, came up with the procedures to avoid cross contamination of product loaded onto barges. Richardson advised this system was developed several years ago after an incident when product was cross contaminated because of residue left in a barge that was thought to be clean.

Richardson advised that the WJI requires that his company not load a barge at BASF that has been cleaned and is experiencing a change in the type cargo it carries unless they obtain and review a Visual Inspection Report and a Shipyard Check Sheet for the barge. He advised that these two documents both show that the barge has been cleaned and inspected. Richardson sent Lynch a fascimiled copy of the WJI and a list of barges loaded by his company from November 15, 1996 until May 7, 1997.

Lynch showed Richardson a copy of a Hercules Barge Cleaning Report and an ITS Caleb Brett Visual Inspection Report and asked him if these were examples of the documentation his company reviews before they will load a barge that has just been cleaned and is experiencing a

change in cargo. He advised that these looked like the documents his company would review.

Richardson advised that he sends a copy of the Visual Inspection Report and the Shipyard Check Sheet with a Work Sheet which he prepares to document the time his workers spend on the job of loading the barge to BASF Logistics Coordinator Robert Peters. He advised he also sends a Flow Sheet with the package of documents he send to Peters. He said that the Flow Sheet documents the gallons per minute rate at which the barge is loaded to make sure there are no pipeline leaks. Richardson advised that his company is paid based on the information he includes on the Work Sheet. Richardson said that he does not know if Peters ever actually read the documents he sends to his attention, but that he did send them to the attention of Robert Peters through BASF inter-office mail.

Richardson advised that his company has to obtain a Safe Work Permit from BASF before they are allowed to load a barge at BASF. Richardson advised that Brown Water Marine is the company that loads cyclohexane onto barges for BASF at the various location where BASF purchases this product.

Richardson advised that when barges are unloaded at BASF a vent is opened on the barge to prevent the tanks from being collapsed by vacuum. He advised that prior to unloading the barge tanks, ITS Caleb Brett gauges the barge to verify amount and identify the product. Richardson advised that once the tanks are unloaded, ITS Caleb Brett gauges the barge tanks again and notes the amount of heel left on the barge and then the barge tanks are sealed shut.

Richardson advised that his company unloads the cyclohexane barges at the BASF dock for BASF. He advised that the vast majority of barges he unloads at the BASF dock are cyclohexane barges. Richardson said that he unloads about 15 to 18 cyclohexane barges per month at the BASF dock. He advised that he receives BASF Barge Schedules which notify him of orders as to what barge activity will be at BASF.

Richardson advised that he talked with Juan Rivera and Larry Ballinger at Hercules sometimes, but that he primarily worked with Robert Peters at BASF. Richardson advised that BASF dealt with Hercules more than he did.

#### PERSONAL INFORMATION

Melvin L. Richardson



Signed: Brian Lynd

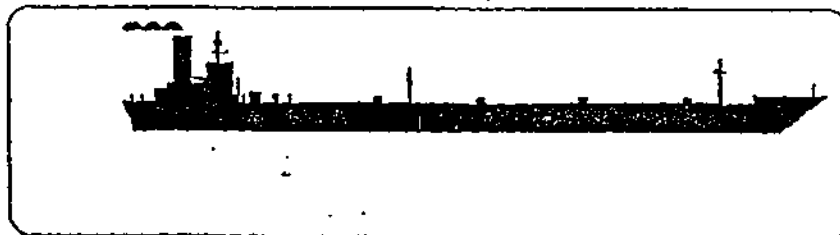
Date prepared: October 16, 1997

000 1000 3:40 NO.002 P.01

GREETINGS FROM RICHARDSON'S TANKERMAN  
SERVICE, PHONE : 409-798-7561

THIS FAX IS FOR: BRIAN LYNCH  
OF TNRC FAX 713/767-3520

FROM M.L. Richardson DATE 10/15/97



PLEASE CALL 409-798-7561 IF ANY PROBLEMS ARRISE, OR IF ANY PART OF  
OF THIS IS UNCLEAR.

PAGE 1 OF 5

BASF Corporation  
Chemicals Division

BASF

**WJI**  
**WRITTEN JOB INSTRUCTION**  
**LOGISTICS DEPARTMENT**

<b>WJI BD -</b>	<b>Effective Date: 10/23/95</b>
<b>TITLE: Barges coming from Hercules Shipyard, that are being loaded, after cleaning.</b>	
Written By: <u>Melvin L. Richardson</u>	Date: _____
Reviewed By: _____	Date: _____
Approved By: _____	Date: _____
(Signature Required)	

**SEQUENCE OF STEPS (NOT TOO FINE OR TOO BROAD)**  
**QUALITY, PRODUCTION, ECOLOGY OR ENERGY FACTORS (CLEARLY TELL WHAT TO DO AND WHY)**  
**SAFETY FACTORS (CLEARLY TELL WHAT TO DO AND WHY)**

- 1) Tankerman will be informed when a barge is required to have a Visual Inspection Report, and a Shipyard Job Number Check Sheet on it.  
Quality: Barges changing cargoes have to go to Hercules Shipyard to be cleaned, and Logistic Coordinator will inform Tankerman when this occurs.
- 2) The inspector will put a Visual Tank Inspection Report in the Barge Mail Box stating whether Barge is accepted or rejected for loading. Hercules will put a Shipyard Job Number Check Sheet in Barge Mail Box stating whether Barge has been Inspected.  
Quality: If either the Visual Tank Inspection Report or Shipyard Job Number Check Sheet are not on the Barge, DO NOT load Barge, and contact Logistic Coordinator.
- 3) Tankerman will remove both the Visual Tank Inspection Report, and the Shipyard Job Number Check Sheet. The Visual Tank Inspection will state whether Barge is accepted, or rejected, and the Shipyard Number Check Sheet will state whether Barge has been inspected.  
Quality: If the Visual Tank Inspection Report states Barge is accepted, and the Shipyard Job Number Check Sheet states Barge has been inspected, Barge can be loaded following the WJI for the job being done. If the Visual Tank Inspection Report states the Barge is rejected, or the Shipyard Job Number Check Sheet states Barge hasn't been inspected, DO NOT load barge, and contact Logistics Coordinator.

**BASF Corporation**  
**Chemicals Division**

**WJI**  
**WRITTEN JOB INSTRUCTION**  
**LOGISTICS DEPARTMENT**

**BASF**

**WJI BD-**

**Effective Date: 10/23/95**

**TITLE: Barges coming from Hercules Shipyard, that are being loaded, after cleaning.**

- 4) Include the Visual Tank Inspection Report and the Shipyard Job Number Check Sheet , along with the Job Sheet to the Logistic Coordinator.

Quality: Insures product will not be contaminated.

## RICHARDSON'S TANKERMAN SERVICE

OCT. 14, 1997

Barge's loaded at BASF Dock #1 from Nov. 15, 1996 thru May 07, 1997.

	DATE	BARGE #	JOB #	PRODUCT
1.	11/18/96	ETT-115	29	NORMAL BUTANOL
2.	11/30/96	ETT-110	46	CAPRO-EXTRACT
3.	12/04/96	ETT-115	05	NORMAL BUTANOL
4.	12/18/96	ETT-115	29	NORMAL BUTANOL
5.	01/13/97	ETT-112	24	NORMAL BUTANOL
6.	01/29/97	ETT-112	52	NORMAL BUTANOL
7.	02/03/97	ETT-112	05	NORMAL BUTANOL
8.	02/06/97	ETT-112	12	NORMAL BUTANOL
9.	02/10/97	ETT-112	20	NORMAL BUTANOL
10.	02/25/97	ETT-110	50	CAPRO-EXTRACT
11.	02/26/97	ETT-115	32	NORMAL BUTANOL
12.	03/09/97	ETT-112	11	ANOLON
13.	03/12/97	ETT-112	13	ANOLON
14.	03/19/97	ETT-115	20	NORMAL BUTANOL
15.	04/14/97	ETT-110	25	ANOLON
16.	04/26/97	ETT-113	45	ANOLON



① Barges loaded at BASF  
from Nov. 15, 1996 - May 7, 1997.

② Work Job Instructions for barges  
coming from Herc. Ship Yard  
going to BASF to be loaded.



TEXAS NATURAL RESOURCE  
CONSERVATION COMMISSION

1800-795-7363  
BRIAN LYNCH  
Investigator - Special Investigations  
Litigation Support Division

FAX 713/767-3520

Region 12  
713/767-3621 • Fax 713/767-3520  
6426 Polk Avenue • Suite H • Houston, TX 77023-1423

**Texas Natural Resource Conservation Commission**  
**Special Investigations**  
**ADVICE OF RIGHTS — NONCUSTODIAL**

THE STATE OF TEXAS

County of Brazoria

I, Claudio Duarte, have been first duly warned by

Larry Belland Brazoria County District Attorney's Office  
(Name & Title of Investigator giving rights)

at 5:30 (A.M./P.M.), on the 14<sup>th</sup> day of October, 1997, at \_\_\_\_\_

\_\_\_\_\_, Texas, of the \_\_\_\_\_  
(Location/Address)

following rights:

1. I HAVE THE RIGHT TO REMAIN SILENT AND NOT MAKE ANY STATEMENT AT ALL AND THAT ANY STATEMENT I MAKE MAY BE USED AGAINST ME AT MY TRIAL;
2. ANY STATEMENT I MAKE MAY BE USED AS EVIDENCE AGAINST ME IN COURT;
3. I HAVE THE RIGHT TO HAVE A LAWYER PRESENT TO ADVISE ME PRIOR TO AND DURING ANY QUESTIONING;
4. I HAVE THE RIGHT TO TERMINATE THE INTERVIEW AT ANY TIME.

The were read to me by Claudio Duarte Jr.  
~~I have read the~~ above rights ~~and~~ I have had the same explained to me and do knowingly, intelligently and voluntarily waive the rights as set out above. I do hereby freely and voluntarily, without being induced by any compulsion, threats, promises or persuasion, want to talk to an investigator.

My name is Claudio Duarte and I am \_\_\_\_\_ years of age. I was born in \_\_\_\_\_ and at present I consider the following address my home \_\_\_\_\_

My Drivers License Number is \_\_\_\_\_

Claudio Duarte  
SIGNATURE

Brian Lynch  
INVESTIGATOR

Ray Beech  
WITNESS

Ronald L. Bell  
WITNESS

Texas Natural Resource Conservation Commission  
Special Investigations  
STATEMENT

THE STATE OF TEXAS

County of Brazoria

Case Number: CR-FY97-058

I, Claudio Gomez Duarte, being first duly sworn, according to law, depose and say:

I have been advised by Larry Ballinger of District Attorney's Office, that, under the provisions of the Constitution, I cannot be compelled to be a witness against myself; and, knowing that anything I say may be used against me, I wish to make the following statements of my own free will and accord, without coercion or threats and without promise of immunity.

This statement is a voluntary act on my part, prompted by my decision to tell the facts, and I do not expect to gain any reward or special consideration by reason of having made this statement.

I am  years old and reside at   
 I have worked at Hercules Marine Services (Hercules) as the Cleaning Superintendent for about three years. I supervise the crews that clean barges at Hercules. Since about May 1997, my boss at Hercules has been Jimmy Jackson. Before that and in 1996, my boss was Larry Ballinger. Larry was the boss over everyone there at Hercules. My duties included filling out a barge cleaning report. The information I wrote down on the barge cleaning report included the barge number, the chemical product cleaned out of the barge, and the date the barge was cleaned. When a barge came to the Hercules dock I would go to the dock and check on the barge. When the barge came in Larry Ballinger would also come out and check on it. Larry wanted to know what product was in the barge and how much of the product was left in the barge. I would open the hatches on the barge. From my experience at Hercules I could tell by the odor what product was on the barge and I could look in the barge cargo tanks and tell approximately how much material was left in the barge. I would tell Larry what product was on the barge and how much was left. I remember several times I told Larry the barge

Texas Natural Resource Conservation Commission  
Special Investigations  
STATEMENT CONCLUSION

Statement of Claudio Gómez Duarte  
Case Number: CR-FY97-058

Date: 10-14-97

contained cyclohexane and Larry told me do not write down cyclohexane on the barge cleaning report. He told me to write down the chemical name butanol instead of cyclohexane. Larry told me and Juan Rivera more than once that if a cyclohexane barge comes in, do not write down cyclohexane on the barge report, but instead, write down butanol.

I have <sup>had</sup> ~~read~~ the foregoing statement <sup>read to me by Claudio Duarte Jr.</sup> and I have been given an opportunity to make corrections. All of the facts contained herein are true to the best of my knowledge.

Sworn to before me this 14TH day (Signed) Claudio Duarte Jr.  
of OCTOBER, 1997.

Signed:

J. Beauf  
(Law Officer)

Witnessed:

Brian Lynch

Case: Hercules

Case Number: CR-FY97-058

Person Interviewed: Bobby Fuller, Branch Manager  
Intertek Testing Services Caleb Brett

TNRCC Office: Region 12 - Houston

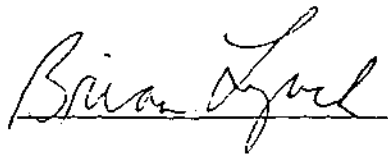
Location: Intertek Testing Services Caleb Brett  
214 North Gulf Blvd.  
Freeport, Texas 77541

Date/Time: October 17, 1997 / 10:30 am

On October 17, 1997, TNRCC Special Investigator (SI) Brian Lynch interviewed Bobby Fuller at the above noted location. Brazoria County District Attorney Office Investigator Larry Bullard participated in the interview. The interview was set up to allow the investigators to review Intertek Testing Services Caleb Brett (Caleb Brett) records of barges they inspected for BASF that had been cleaned at Hercules Marine Services Corporation (Hercules) prior to November 15, 1996.

Fuller provided Caleb Brett records concerning barges from BASF that had been cleaned at Hercules during the time period of June 7, 1996, until November 14, 1996, to the investigators for their review. Lynch and Bullard reviewed the Caleb Brett Visual Tank Inspection Reports included in the records provided by Fuller and noted that 12 barges from BASF which last contained cyclohexane as a cargo had been cleaned at Hercules during this six month time period. Lynch and Bullard also noted that the associated Hercules Barge Cleaning Reports contained in the Caleb Brett records provided by Fuller for the above described 12 cyclohexane barges also indicated the last cargo contained on these barges to be cyclohexane (See attached documents).

Signed:



Date prepared:

October 28, 1997



# Inchcape Testing Services

Caleb Brett

## V I S U A L   T A N K   I N S P E C T I O N   R E P O R T

Vessel : ETT-112  
Port/Terminal: HERCULES SHIPYARD/FREEPORT  
Product/Cargo: CYCLOHEXANE

Your Reference:  
Our Reference: FP/96-1292  
Date : 6-10-96

Tank Number	1C	2C	3C
Tank Coating	MILD STEEL	MILD STEEL	MILD STEEL
Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Second Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Third Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Visual Cleanliness Accepted *	ACCEPTED	ACCEPTED	ACCEPTED
Visual Cleanliness Rejected *			
Time/Date Inspected	1340 6-10-96	1340 6-10-96	1340 6-10-96

Method said to have been used to clean tanks: ALL CARGO TANKS AND PIPELINES WERE STRIPPED AND BLOWN FOR ONE-HALF HOUR PER TANK, AND ALL TANKS WERE ALSO GAS FREED DUE TO WELDING WORK.

Information regarding previous cargoes, tank coating and cleaning method was obtained from vessel personnel and cannot be guaranteed as accurate by Caleb Brett U.S.A., Inc. and no liability can be assumed for errors resulting from improper information supplied. This report, of necessity, is based on such information.

The cleanliness of inspected tank(s) is/are based on visual inspection of tank surfaces and line system at accessible areas only. This document does not cover the cleanliness of tank surfaces and line system at inaccessible spots and/or possible release of components of previous cargoes during loading, discharge or transport of the cargo in question, for which the vessel is fully responsible. Suitability of tank coating for intended cargo must be guaranteed by vessel's owner or by suppliers of the coating.

I T S-Caleb Brett

100-1-5075  
PAGE NO. 54-117  
CITY BASE  
FACILITY CAMPIONAINE

DATE TIME ARRIVED 10/10/54  
 DATE TIME DEPARTED 10/10/54  
 NAME OF COMPANY COAST GUARD

CLEARING INSTRUCTIONS BY: *Robert Perre*  
COMPLETION SCHEDULE BY:  
CURRENT:

APPROVED BY: \_\_\_\_\_  
 AUTHORIZED BY: \_\_\_\_\_

DATE RECEIVED BY: 10/10/10

COPIES FORWARDED TO:

**EXHIBIT DOCUMENT:** YES *M*/NO

YES ☒ NO ☐ CLOSING BY \_\_\_\_\_  
 FOLLOW UP DATE \_\_\_\_\_  
 YES ☐ NO ☐ OTHER YES ☐ NO ☐

COPIES OF THE REPORTS: YES / A CO

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED  
DATE 08-19-2006 BY SP-6 BTJ/KJS

RECOVERY: YES

RECOVERY NUMBER ORIGIN: YES ☒ NO ☐ CLOSED BY RAI  
 YES ☒ NO ☐ AND IN CASES NOT CLOSED

100-443887-100

RECEIVED  
JAN 10 1960

RECEIVED BY CARCO TRADING CO.  
BY AIR MAIL

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED  
DATE 01-25-2001 BY 60322 UCBAW

YES N/A

20 MAY 1964

LINE NUMBER: 402. P. 10/11/11

MAILED: 502 P. 11 AM  
YES 1 NO 0

YES YES

.....

$$H^0(\mathcal{O}_X) = \mathbb{C}$$

All charges closed her case will be inspected by Cadeb Brent. The Inspector will have prepared for the document as follows: an charge to sign. The document must also be signed by the document itself. On duty will stay in the morning, and the balance of the day until the charge will not be able to leave. The inspection is complete and documentation is for the morning. If the case is not resolved, no more time must be consumed.

Page 6-110-196

March 6, 1906

1375

1350

Approved by Charlie Bennett

Colo bintj



# Inchcape Testing Services

Caleb Brett

## V I S U A L   T A N K   I N S P E C T I O N   R E P O R T

Vessel : ETT-113  
Port/Terminal: HERCULES/FREEPORT  
Product/Cargo: 99.9% CYCLOHEXANE

Your Reference:  
Our Reference: FP/96-1319  
Date : 6-14-96

Tank Number	1C	2C	3C
Tank Coating	MILD STEEL	MILD STEEL	MILD STEEL
Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Second Last Cargo	- - - - -	- - - - -	- - - - -
Third Last Cargo	- - - - -	- - - - -	- - - - -
Visual Cleanliness Accepted *	ACCEPTED	ACCEPTED	ACCEPTED
Visual Cleanliness Rejected *			
Time/Date Inspected	1240 6-14-96	1240 6-14-96	1240 6-14-96

Method said to have been used to clean tanks: ALL CARGO TANKS WERE STRIPPED LIQUID FREE AND BLOWN DRY FOR FIVE HOURS.

Information regarding previous cargoes, tank coating and cleaning method was obtained from vessel personnel and cannot be guaranteed as accurate by Caleb Brett U.S.A., Inc. and no liability can be assumed for errors resulting from improper information supplied. This report, of necessity, is based on such information.

The cleanliness of inspected tank(s) is/are based on visual inspection of tank surfaces and line system at accessible areas only. This document does not cover the cleanliness of tank surfaces and line system at inaccessible spots and/or possible release of components of previous cargoes during loading, discharge or transport of the cargo in question, for which the vessel is fully responsible. Suitability of tank coating for intended cargo must be guaranteed by vessel's owner or by suppliers of the coating.

  
I T S-Caleb Brett



JOB NO. \_\_\_\_\_  
BARGE NO. ET-113  
CUSTOMER BASF  
PRODUCT CYCLOHEXANE

BARGE CLEANING REPORT

ETA \_\_\_\_\_  
DATE/TIME ARRIVAL 6-14-96  
DATE/TIME STARTED 6-14-96  
DATE/TIME COMPLETE 6-14-96

CLEANING INSTRUCTION BY: 217416  
COMPLETION SCHEDULE BY: \_\_\_\_\_  
OVERTIME AUTHORIZED BY: \_\_\_\_\_  
BARGE INSPECTED BY: Charles Brett  
BARGE RELEASED TO: \_\_\_\_\_

AMOUNT STRIPPED 300

DEEPWELL OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ DATE/TIME: \_\_\_\_\_  
BELOW DECK CARCO PIPELINE: BLEND OPEN YES NO NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ DATE/TIME: \_\_\_\_\_  
DECK CHECK VALVE OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW CASSET YES \_\_\_\_\_ NO \_\_\_\_\_  
DECK HEADER BLENDS OPEN: Yes INSPECTED BY Charles Brett YES \_\_\_\_\_ NO \_\_\_\_\_  
DECK HEADER DRAIN P/LUG OPEN: YES NO NO \_\_\_\_\_ CLOSED BY Quintan YES \_\_\_\_\_ NO \_\_\_\_\_  
VAPOR RECOVERY HEADER OPENED: YES NO NO \_\_\_\_\_ CLOSED BY CHASAS NEW CASSET YES \_\_\_\_\_ NO \_\_\_\_\_

RUST SCALE: YES \_\_\_\_\_ NO NO WASHED OUT \_\_\_\_\_ BUCKETED OUT \_\_\_\_\_  
NUMBER OF CARCO TANKS 3  
CONDITION OF CARCO VALVES Good  
CLOP TANK STRIPPED: YES N/A NO \_\_\_\_\_  
DRIP PANS STRIPPED: YES NO NO \_\_\_\_\_  
WEATHER: TEMP 98 RAIN \_\_\_\_\_ FOG \_\_\_\_\_ HUMIDITY \_\_\_\_\_ OVERCAST \_\_\_\_\_ CLOUDY NO CLEAR YES  
PIPELINE WASHED: NO PIPELINE BLOWN Yes INSPECTED BY Charles Brett  
BOW RACE CHECKED: YES NO NO \_\_\_\_\_  
VOIDS: YES NO NO \_\_\_\_\_  
STERN RACE: YES NO NO \_\_\_\_\_  
SAFETY EQUIPMENT USED: \_\_\_\_\_

NOTICE

All barges cleaned for BASF will be inspected by Caleb Brett. The inspector will have paperwork for the Hercules foreman in charge to sign. The foreman will put two copies in the document mail box. One copy will stay in the mailbox, and the captain of the tugboat that is picking up the barge will not be called until inspection is completed and documentation is in the mailbox. If any problems, BASF logistics representative must be contacted.

Inspected 6-14-96  
Inspected By N. Kim Dwyer  
Time In 1230  
Time Out 1245

NO BASF BARGE THAT HAS BEEN CLEANED WILL BE RELEASED UNTIL CALEB BRETT HAS SIGNED THE RELEASE PAPERS. CALEB BRETT WILL BE GIVEN A COPY OF THIS FORM.



# Inchcape Testing Services

Caleb Brett

## V I S U A L   T A N K   I N S P E C T I O N   R E P O R T

Vessel : ETT-113  
Port/Terminal: HERCULES/FREEPORT  
Product/Cargo: CYCLOHEXANE

Your Reference:  
Our Reference: FP/96-1461  
Date : 6-29-96

Tank Number	1C	2C	3C
Tank			
Coating	MILD STEEL	MILD STEEL	MILD STEEL
Product	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Condition Last Cargo	N/A	N/A	N/A
Condition Last Cargo	N/A	N/A	N/A
Visual Cleanliness Accepted *	ACCEPTED	ACCEPTED	ACCEPTED
Visual Cleanliness Rejected *			
Time/Date Inspected	1200 6-29-96	1200 6-29-96	1200 6-29-96

Method said to have been used to clean tanks: ALL CARGO TANKS WERE STRIPPED, AND ALL CARGO TANKS AND PIPELINES WERE BLOWN TWO AND ONE-HALF HOURS AND VENTED FOR FOUR HOURS.

Information regarding previous cargoes, tank coating and cleaning method was obtained from vessel personnel and cannot be guaranteed as accurate by Caleb Brett U.S.A., Inc. and no liability can be assumed for errors resulting from improper information supplied. This report, of necessity, is based on such information.

The cleanliness of inspected tank(s) is/are based on visual inspection of tank surfaces and line system at accessible areas only. This document does not cover the cleanliness of tank surfaces and line system at inaccessible spots and/or possible release of components of previous cargoes during loading, discharge or transport of the cargo in question, for which the vessel is fully responsible. Suitability of tank coating for intended cargo must be guaranteed by vessel's owner or by suppliers of the coating.

  
Caleb Brett  
T/S-Caleb Brett

Barge Cleaning Report

JOB NO \_\_\_\_\_ ETA \_\_\_\_\_  
BARGE NO Ett-113 DATE/TIME ARRIVAL 6-29-86 = 6:45 AM  
CUSTOMER BASF DATE/TIME START 6-29-86 = 7:00 AM  
PRODUCT CMPLOHEXANO DATE/TIME COMPLETE 6-29-86 = 12:00 PM  
AMOUNT STRIPPED 300  
CLEANING INST. BY Robert Peter COMPLETION SCH. BY \_\_\_\_\_ OVERTIME AUTH. BY \_\_\_\_\_  
BARGE INSP. BY Duarte DATE/TIME \_\_\_\_\_ RELEASED TO \_\_\_\_\_ DATE/TIME \_\_\_\_\_  
DEEPWELL OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_  
BELOW DECK CARGO PIPELINE:  
BLIND OPENED: YES ☒ NO \_\_\_\_\_ CLOSED BY CASAS NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_  
DECK CHECK VALVE OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_  
DECK HEADER BLINDS OPENED: YES ☒ NO \_\_\_\_\_ INSECTED BY CALEB BRETT  
DECK HEADER DRAIN PLUG OPENED: YES ☒ NO \_\_\_\_\_ CLOSED BY Duarte  
VAPOR RECOVERY HEADER OPENED: YES ☒ NO \_\_\_\_\_ CLOSED BY CASAS NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_  
RUST SCALE: YES \_\_\_\_\_ NO ☒ WASHED OUT \_\_\_\_\_ BUCKETED OUT \_\_\_\_\_  
NUMBER OF CARGO TANKS 3 CONDITION OF CARGO VALVES \_\_\_\_\_  
SLOP TANK STRIPPED: YES N/A NO \_\_\_\_\_ DRIP PANS STRIPPED: YES \_\_\_\_\_ NO \_\_\_\_\_  
WEATHER: TEMP 70 RAIN \_\_\_\_\_ FOG \_\_\_\_\_ HUMIDITY \_\_\_\_\_ OVERCAST \_\_\_\_\_ CLOUDY \_\_\_\_\_ CLEAR ☒  
PIPELINE WASHED: YES \_\_\_\_\_ NO \_\_\_\_\_ PIPELINE BLOWN: YES ☒ NO \_\_\_\_\_ INSPECTED BY CALEB BRETT  
BOW RAKE CHECKED: YES ☒ NO \_\_\_\_\_ STERN RAKE CHECKED: YES ☒ NO \_\_\_\_\_  
VOIDS: YES ☒ NO \_\_\_\_\_ SAFETY EQUIPMENT USED: \_\_\_\_\_  
SUMPS INSPECTED: ☒

NOTICE

All barges cleaned for BASF will be inspected by Caleb Brett. The inspector will have paperwork for the Hercules foreman in charge to sign. The foreman will put two copies in the document mail box. One copy will stay in the mailbox, and the captain of the tugboat that is picking up the barge will not be called until inspection is completed and documentation is in the mailbox. If any problems, BASF logistics representative must be contacted.

Date Inspected 8/6/90

Time in: 1245

Time out: 1210

Inspected By:

A. Keith Doufsey  
Caleb Brett

NO BASF BARGE THAT HAS BEEN CLEANED WILL BE RELEASED UNTIL CALEB BRETT HAS SIGNED THE RELEASE PAPERS. CALEB BRETT WILL BE GIVEN A COPY OF THIS FORM.



# Inchcape Testing Services

Caleb Brett

## V I S U A L   T A N K   I N S P E C T I O N   R E P O R T

Vessel : ETT-112  
Port/Terminal: HERCULES/FREEPORT, TX  
Product/Cargo: 99.9% CYCLOHEXANE

Your Reference:  
Our Reference: FP/96-1666  
Date : 7-27-96

Tank Number	1C	2C	3C
Tank Material	MILD STEEL	MILD STEEL	MILD STEEL
Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Condition Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Condition Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Visual Cleanliness Accepted *	ACCEPTED	ACCEPTED	ACCEPTED
Visual Cleanliness Rejected *			
Time/Date Inspected	0230 7-27-96	0230 7-27-96	0230 7-27-96

Method said to have been used to clean tanks: ALL CARGO TANKS AND PIPELINES WERE STRIPPED AND BLOWN DRY FOR TWO HOURS AND FIFTY-FIVE MINUTES.

Information regarding previous cargoes, tank coating and cleaning method was obtained from vessel personnel and cannot be guaranteed as accurate by Caleb Brett U.S.A., Inc. and no liability can be assumed for errors resulting from improper information supplied. This report, of necessity, is based on such information.

The cleanliness of inspected tank(s) is/are based on visual inspection of tank surfaces and line system at accessible areas only. This document does not cover the cleanliness of tank surfaces and line system at inaccessible spots and/or possible release of components of previous cargoes during loading, discharge or transport of the cargo in question, for which the vessel is fully responsible. Suitability of tank coating for intended cargo must be guaranteed by vessel's owner or by suppliers of the coating.

  
I T S-Caleb Brett

Barge Cleaning Report

JOB NO 5135 ETA \_\_\_\_\_  
BARGE NO ETT 5112 DATE/TIME ARRIVAL 7-26-86 8:28 PM  
CUSTOMER BASF DATE/TIME START 7-26-86 8:30 PM  
PRODUCT CYCLOHEXANE DATE/TIME COMPLETE 7-26-86 12:31 AM

AMOUNT STRIPPED 400

CLEANING INST. BY R. Peters COMPLETION SCH. BY R. Peters OVERTIME AUTH. BY R. Peters

BARGE INSP. BY D. Harte DATE/TIME 12:00 PM RELEASED TO Brown water<sup>10</sup> DATE/TIME 12:31 AM

DEEPWELL OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

BELOW DECK CARGO PIPELINE:

BLIND OPENED: YES ✓ NO \_\_\_\_\_ CLOSED BY CASAS NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

DECK CHECK VALVE OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

DECK HEADER BLINDS OPENED: YES ✓ NO \_\_\_\_\_ INSECTED BY CALEB BRETT \_\_\_\_\_

DECK HEADER DRAIN PLUG OPENED: YES ✓ NO \_\_\_\_\_ CLOSED BY Quinter

VAPOR RECOVERY HEADER OPENED: YES ✓ NO \_\_\_\_\_ CLOSED BY CASAS NEW GASKET: YES \_\_\_\_\_ NO ✓

RUST SCALE: YES ✓ NO \_\_\_\_\_ WASHED OUT \_\_\_\_\_ BUCKETED OUT \_\_\_\_\_

NUMBER OF CARGO TANKS 3 CONDITION OF CARGO VALVES Good

SLOP TANK STRIPPED: YES N/A NO \_\_\_\_\_ DRIP PANS STRIPPED: YES ✓ NO \_\_\_\_\_

WEATHER: TEMP \_\_\_\_\_ RAIN \_\_\_\_\_ FOG \_\_\_\_\_ HUMIDITY ✓ OVERCAST \_\_\_\_\_ CLOUDY ✓ CLEAR \_\_\_\_\_

PIPELINE WASHED: YES \_\_\_\_\_ NO ✓ PIPELINE BLOWN: YES ✓ NO \_\_\_\_\_ INSPECTED BY CALEB BRETT \_\_\_\_\_

BOW RAKE CHECKED: YES ✓ NO \_\_\_\_\_ STERN RAKE CHECKED: YES ✓ NO \_\_\_\_\_

VOIDS: YES ✓ NO \_\_\_\_\_ SAFETY EQUIPMENT USED: \_\_\_\_\_

SUMPS INSPECTED: ✓

NOTICE

All barges cleaned for BASF will be inspected by Caleb Brett. The inspector will have paperwork for the Hercules foreman in charge to sign. The foreman will put two copies in the document mail box. One copy will stay in the mailbox, and the captain of the tugboat that is picking up the barge will not be called until inspection is completed and documentation is in the mailbox. If any problems, BASF logistics representative must be contacted.

Date Inspected 7/27/96

Time in: 0015

Time out: 0035

Inspected By: A. Harte  
Caleb Brett

NO BASF BARGE THAT HAS BEEN CLEANED WILL BE RELEASED UNTIL CALEB BRETT HAS SIGNED THE RELEASE PAPERS. CALEB BRETT WILL BE GIVEN A COPY OF THIS FORM



# Inchcape Testing Services

Caleb Brett

## V I S U A L   T A N K   I N S P E C T I O N   R E P O R T

Vessel : ETT-115  
Port/Terminal: HERCULES/FREEPORT, TX  
Product/Cargo: 99.9% CYCLOHEXANE

Your Reference:  
Our Reference: FP/96-1560  
Date : 7-11-96

Tank Number	1C	2C	3C
Tank Coating	MILD STEEL	MILD STEEL	MILD STEEL
Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Second Last Cargo	- - - -	- - - -	- - - -
Third Last Cargo	- - - -	- - - -	- - - -
Visual Cleanliness Accepted *	ACCEPTED	ACCEPTED	ACCEPTED
Visual Cleanliness Rejected *			
Time/Date Inspected	1150 7-11-96	1150 7-11-96	1150 7-11-96

Method said to have been used to clean tanks: Cargo tanks & pipelines were stripped for thirty minutes and blown for four hours.

Information regarding previous cargoes, tank coating and cleaning method was obtained from vessel personnel and cannot be guaranteed as accurate by Caleb Brett U.S.A., Inc. and no liability can be assumed for errors resulting from improper information supplied. This report, of necessity, is based on such information.

The cleanliness of inspected tank(s) is/are based on visual inspection of tank surfaces and line system at accessible areas only. This document does not cover the cleanliness of tank surfaces and line system at inaccessible spots and/or possible release of components of previous cargoes during loading, discharge or transport of the cargo in question, for which the vessel is fully responsible. Suitability of tank coating for intended cargo must be guaranteed by vessel's owner or by suppliers of the coating.

  
I T S-Caleb Brett

Barge Cleaning Report

JOB NO 3464 ETA                       
BARGE NO ETT2115 DATE/TIME ARRIVAL 7-11-96 = 7:30 AM  
CUSTOMER BASF DATE/TIME START 7-11-96 = 8:00 AM  
PRODUCT CYCLOHEXANO DATE/TIME COMPLETE 7-11-96 = 2:30 PM

AMOUNT STRIPPED 300

CLEANING INST. BY Robert Peter COMPLETION SCH. BY Robert Peter OVERTIME AUTH. BY                     

BARGE INSP. BY Duarte DATE/TIME                      RELEASED TO                      DATE/TIME                     

DEEPWELL OPENED: YES NA NO                      CLOSED BY                      NEW GASKET: YES                      NO                     

BELOW DECK CARGO PIPELINE:                     

BLIND OPENED: YES                      NO                      CLOSED BY CASAS NEW GASKET: YES                      NO                     

DECK CHECK VALVE OPENED: YES NA NO                      CLOSED BY                      NEW GASKET: YES                      NO                     

DECK HEADER BLINDS OPENED: YES                      NO                      INSECTED BY CALEB BRETT                     

DECK HEADER DRAIN PLUG OPENED: YES                      NO                      CLOSED BY Lucio

VAPOR RECOVERY HEADER OPENED: YES                      NO                      CLOSED BY Lucio NEW GASKET: YES                      NO                     

RUST SCALE: YES                      NO                      WASHED OUT                      BUCKETED OUT                     

NUMBER OF CARGO TANKS 3 CONDITION OF CARGO VALVES                     

SLOP TANK STRIPPED: YES NA NO                      DRIP PANS STRIPPED: YES                      NO                     

WEATHER: TEMP 90 RAIN                      FOG                      HUMIDITY                      OVERCAST                      CLOUDY                      CLEAR                     

PIPELINE WASHED: YES                      NO                      PIPELINE BLOWN: YES                      NO                      INSPECTED BY CALEB BRETT                     

BOW RAKE CHECKED: YES                      NO                      STERN RAKE CHECKED: YES                      NO                     

VOIDS: YES                      NO                      SAFETY EQUIPMENT USED:                     

SUMPS INSPECTED:                     

NOTICE

All barges cleaned for BASF will be inspected by Caleb Brett. The inspector will have paperwork for the Hercules foreman in charge to sign. The foreman will put two copies in the document mail box. One copy will stay in the mailbox, and the captain of the tugboat that is picking up the barge will not be called until inspection is completed and documentation is in the mailbox. If any problems, BASF logistics representative must be contacted.

Date Inspected 7/11/96 Time in: 1150 Time out: 1215

Inspected By: S.P.  
Caleb Brett

NO BASF BARGE THAT HAS BEEN CLEANED WILL BE RELEASED UNTIL CALEB BRETT HAS SIGNED THE RELEASE PAPERS. CALEB BRETT WILL BE GIVEN A COPY OF THIS REPORT.



# Inchcape Testing Services

Caleb Brett

## V I S U A L   T A N K   I N S P E C T I O N   R E P O R T

Vessel : ETT-114  
Port/Terminal: Hercules Shipyard, Freeport, Tx  
Product/Cargo: Normal Butanol

Your Reference:  
Our Reference: FP/96-1853  
Date : August 23, 1996

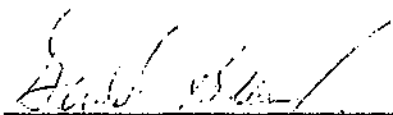
Tank Number	#1 Center	#2 Center	#3 Center
Tank Coating	Mild Steel	Mild Steel	Mild Steel
Test Cargo	Cyclohexane	Cyclohexane	Cyclohexane
Second Last Cargo	- - -	- - -	- - -
Third Last Cargo	- - -	- - -	- - -
Visual Cleanliness Accepted *	Accepted	Accepted	Accepted
Visual Cleanliness Rejected *			
Time/Date Inspected	1020 8/23/96	1020 8/23/96	1020 8/23/96

Method said to have been used to clean tanks: Tanks #1C, #2C and #3C: Hot fresh water (160 to 180 °F) for 30 minutes each,

Rinse and blown dry. Pipelines: Hot fresh water (180 to 200 °F.) for 1 1/2 hours, blow dry.

Information regarding previous cargoes, tank coating and cleaning method was obtained from vessel personnel and cannot be guaranteed as accurate by Caleb Brett U.S.A., Inc. and no liability can be assumed for errors resulting from improper information supplied. This report, of necessity, is based on such information.

The cleanliness of inspected tank(s) is/are based on visual inspection of tank surfaces and line system at accessible areas only. This document does not cover the cleanliness of tank surfaces and line system at inaccessible spots and/or possible release of components of previous cargoes during loading, discharge or transport of the cargo in question, for which the vessel is fully responsible. Suitability of tank coating for intended cargo must be guaranteed by vessel's owner or by suppliers of the coating.

  
I T S-Caleb Brett



# Barge Cleaning Report

JOB NO 8-5163 ETA \_\_\_\_\_  
BARGE NO ETT-114 DATE/TIME ARRIVAL 8-22-86 9:50 AM  
CUSTOMER BASF DATE/TIME START 8-22-86 10:00 AM  
PRODUCT CYCLOHEXANE DATE/TIME COMPLETE 8-22-86

AMOUNT STRIPPED 300

CLEANING INST. BY Robert COMPLETION SCH. BY \_\_\_\_\_ OVERTIME AUTH. BY \_\_\_\_\_

BARGE INSP. BY Dunne DATE/TIME \_\_\_\_\_ RELEASED TO \_\_\_\_\_ DATE/TIME \_\_\_\_\_

DEEPWELL OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

BELOW DECK CARGO PIPELINE:

BLIND OPENED: YES / NO \_\_\_\_\_ CLOSED BY CALB NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

DECK CHECK VALVE OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

DECK HEADER BLINDS OPENED: YES / NO \_\_\_\_\_ INSECTED BY CALEB BRETT \_\_\_\_\_

DECK HEADER DR. IN PLUG OPENED: YES / NO \_\_\_\_\_ CLOSED BY CWZ

VAPOR RECOVERY HEADER OPENED: YES / NO \_\_\_\_\_ CLOSED BY CASAS NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

RUST SCALE: YES / NO \_\_\_\_\_ WASHED OUT \_\_\_\_\_ BUCKETED OUT \_\_\_\_\_

NUMBER OF CARGO TANKS 3 CONDITION OF CARGO VALVES \_\_\_\_\_

SLOP TANK STRIPPED: YES N/A NO \_\_\_\_\_ DRIP PANS STRIPPED: YES \_\_\_\_\_ NO \_\_\_\_\_

WEATHER: TEMP 75 RAIN / FOG \_\_\_\_\_ HUMIDITY / OVERCAST \_\_\_\_\_ CLOUDY \_\_\_\_\_ CLEAR \_\_\_\_\_

PIPELINE WASHED: YES / NO \_\_\_\_\_ PIPELINE BLOWN: YES / NO \_\_\_\_\_ INSPECTED BY CALEB BRETT YES

BOW RAKE CHECKED: YES / NO \_\_\_\_\_ STERN RAKE CHECKED: YES / NO \_\_\_\_\_

VOIDS: YES / NO \_\_\_\_\_ SAFETY EQUIPMENT USED: \_\_\_\_\_

SUMPS INSPECTED: /

## NOTICE

All barges cleaned for BASF will be inspected by Caleb Brett. The inspector will have paperwork for the Hercules foreman in charge to sign. The foreman will put two copies in the document mail box. One copy will stay in the mailbox, and the captain of the tugboat that is picking up the barge will not be called until inspection is completed and documentation is in the mailbox. If any problems, BASF logistics representative must be contacted.

Date Inspected 8/23/86 Time in: 1000 Time out: 1020

Inspected By: Caleb Brett  
Caleb Brett

NO BASF BARGE THAT HAS BEEN CLEANED WILL BE RELEASED UNTIL CALEB BRETT HAS SIGNED THE RELEASE PAPERS. CALEB BRETT WILL BE GIVEN A COPY OF THE FORM.



# Inchcape Testing Services

Caleb Brett

## V I S U A L   T A N K   I N S P E C T I O N   R E P O R T

Vessel : "ETT-113"  
Port/Terminal: HERCULES/FREEPORT, TX  
Product/Cargo: NORMAL BUTANOL

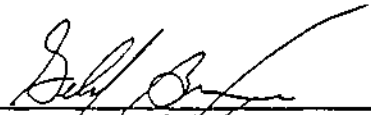
Your Reference:  
Our Reference: FP/96-1947  
Date : 9-07-96

Tank Number	1C	2C	3C
Tank Coating	MILD STEEL	MILD STEEL	MILD STEEL
1st Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
2nd Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
3rd Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Visual Cleanliness Accepted *	ACCEPTED	ACCEPTED	ACCEPTED
Visual Cleanliness Rejected *			
Time/Date Inspected	1250 9-7-96	1250 9-7-96	1250 9-7-96

Method said to have been used to clean tanks: CARGO TANKS AND PIPELINES WERE STRIPPED AND BLOWN DRY.

Information regarding previous cargoes, tank coating and cleaning method was obtained from vessel personnel and cannot be guaranteed as accurate by Caleb Brett U.S.A., Inc. and no liability can be assumed for errors resulting from improper information supplied. This report, of necessity, is based on such information.

The cleanliness of inspected tank(s) is/are based on visual inspection of tank surfaces and line system at accessible areas only. This document does not cover the cleanliness of tank surfaces and line system at inaccessible spots and/or possible release of components of previous cargoes during loading, discharge or transport of the cargo in question, for which the vessel is fully responsible. Suitability of tank coating for intended cargo must be guaranteed by vessel's owner or by suppliers of the coating.

  
I T S-Caleb Brett

Barge Cleaning Report

JOB NO 5184 ETA 20  
BARGE NO Est 113 DATE/TIME ARRIVAL 9-7-96 7:20 AM  
CUSTOMER BASF DATE/TIME START 9-7-96 7:30 AM  
PRODUCT Cyclohexane DATE/TIME COMPLETE 9-7-96 1:30 PM

AMOUNT STRIPPED 300

CLEANING INST. BY Robert Peters COMPLETION SCH. BY                      OVERTIME AUTH. BY Robert Peters

BARGE INSP. BY Duarte DATE/TIME 1:30 PM RELEASED TO Brown Chival DATE/TIME 1:30 PM

DEEPWELL OPENED: YES NO / NO                      CLOSED BY                      NEW GASKET: YES                      NO                     

BELOW DECK CARGO PIPELINE:

BLIND OPENED: YES                      / NO                      CLOSED BY CASAL NEW GASKET: YES                      NO                     

DECK CHECK VALVE OPENED: YES                      / NO                      CLOSED BY CASAL NEW GASKET: YES                      NO                     

DECK HEADER BLINDS OPENED: YES                      / NO                      INSECTED BY CALEB BRETT

DECK HEADER DRAIN PLUG OPENED: YES                      / NO                      CLOSED BY Rivera

VAPOR RECOVERY HEADER OPENED: YES                      / NO                      CLOSED BY Rivera NEW GASKET: YES                      NO                     

RUST SCALE: YES                      / NO                      WASHED OUT                      BUCKETED OUT                     

NUMBER OF CARGO TANKS 3 CONDITION OF CARGO VALVES                     

SLOP TANK STRIPPED: YES NO / NO                      DRIP PANS STRIPPED: YES                      NO                     

WEATHER: TEMP 94 RAIN                      FOG                      HUMIDITY                      OVERCAST                      CLOUDY                      CLEAR                     

PIPELINE WASHED: YES                      / NO                      PIPELINE BLOWN: YES                      / NO                      INSPECTED BY CALEB BRETT

BOW RAKE CHECKED: YES                      / NO                      STERN RAKE CHECKED: YES                      / NO                     

VOIDS: YES                      / NO                      SAFETY EQUIPMENT USED:                     

SUMPS INSPECTED:                     

NOTICE

All barges cleaned for BASF will be inspected by Caleb Brett. The inspector will have paperwork for the Hercules foreman in charge to sign. The foreman will put two copies in the document mail box. One copy will stay in the mailbox, and the captain of the tugboat that is picking up the barge will not be called until inspection is completed and documentation is in the mailbox. If any problems, BASF logistics representative must be contacted.

Date Inspected 9/7/96 Time in: 12:35 Time out: 1:30

Inspected By: A. Duarte  
Caleb Brett

NO BASF BARGE THAT HAS BEEN CLEANED WILL BE RELEASED UNTIL CALEB BRETT HAS SIGNED THE RELEASE PAPERS. CALEB BRETT WILL BE GIVEN A COPY OF THIS FORM.



# Inchcape Testing Services

Caleb Brett

## V I S U A L   T A N K   I N S P E C T I O N   R E P O R T

Vessel : ETT - 110  
Port/Terminal: Hercules Shipyard/Freeport  
Product/Cargo: Cyclohexane

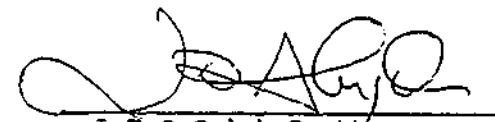
Your Reference:  
Our Reference: FP/96-2099  
Date : 9-25-96

Tank Number	1C	2C	3C
Tank	MILD	MILD	MILD
Coating	STEEL	STEEL	STEEL
Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Second Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Third Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Visual Cleanliness Accepted *	ACCEPTED	ACCEPTED	ACCEPTED
Visual Cleanliness Rejected *			
Time/Date Inspected	1920 9-25-96	1925 9-25-96	1930 9-25-96

Method said to have been used to clean tanks: All cargo tanks were stripped and blown (pipeline blown for one & one half hours), swept, vacuumed rust, and vented for four hours.

Information regarding previous cargoes, tank coating and cleaning method was obtained from vessel personnel and cannot be guaranteed as accurate by Caleb Brett U.S.A., Inc. and no liability can be assumed for errors resulting from improper information supplied. This report, of necessity, is based on such information.

The cleanliness of inspected tank(s) is/are based on visual inspection of tank surfaces and line system at accessible areas only. This document does not cover the cleanliness of tank surfaces and line system at inaccessible spots and/or possible release of components of previous cargoes during loading, discharge or transport of the cargo in question, for which the vessel is fully responsible. Suitability of tank coating for intended cargo must be guaranteed by vessel's owner or by suppliers of the coating.

  
I T S-Caleb Brett

# Barge Cleaning Report

JOB NO 5208 ETA \_\_\_\_\_  
BARGE NO EXT-110 DATE/TIME ARRIVAL 9-24-96 = 7:30  
CUSTOMER BASF DATE/TIME START 9-24-96 = 8:00AM  
PRODUCT CYCLOHEXANE DATE/TIME COMPLETE 9-24-96 =

AMOUNT STRIPPED 300

CLEANING INST. BY Robert Petros COMPLETION SCH. BY \_\_\_\_\_ OVERTIME AUTH. BY \_\_\_\_\_

BARGE INSP. BY Duarte DATE/TIME 2:30 RELEASED TO \_\_\_\_\_ DATE/TIME \_\_\_\_\_

DEEPWELL OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

BELOW DECK CARGO PIPELINE:

BLIND OPENED: YES ✓ NO \_\_\_\_\_ CLOSED BY Duarte NEW GASKET: YES \_\_\_\_\_ NO ✓

DECK CHECK VALVE OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

DECK HEADER BLINDS OPENED: YES ✓ NO \_\_\_\_\_ INSECTED BY CALEB BRETT \_\_\_\_\_

DECK HEADER DRAIN PLUG OPENED: YES ✓ NO \_\_\_\_\_ CLOSED BY Rivera

VAPOR RECOVERY HEADER OPENED: YES ✓ NO \_\_\_\_\_ CLOSED BY Rivera NEW GASKET: YES \_\_\_\_\_ NO ✓

RUST SCALE: YES ✓ NO \_\_\_\_\_ WASHED OUT \_\_\_\_\_ BUCKETED OUT \_\_\_\_\_

NUMBER OF CARGO TANKS 3 CONDITION OF CARGO VALVES Good

SLOP TANK STRIPPED: YES N/A NO \_\_\_\_\_ DRIP PANS STRIPPED: YES ✓ NO \_\_\_\_\_

WEATHER: TEMP 54 RAIN \_\_\_\_\_ FOG \_\_\_\_\_ HUMIDITY \_\_\_\_\_ OVERCAST \_\_\_\_\_ CLOUDY \_\_\_\_\_ CLEAR \_\_\_\_\_

PIPELINE WASHED: YES \_\_\_\_\_ NO ✓ PIPELINE BLOWN: YES ✓ NO \_\_\_\_\_ INSPECTED BY CALEB BRETT \_\_\_\_\_

BOW RAKE CHECKED: YES ✓ NO \_\_\_\_\_ STERN RAKE CHECKED: YES ✓ NO \_\_\_\_\_

VOIDS: YES ✓ NO \_\_\_\_\_ SAFETY EQUIPMENT USED: \_\_\_\_\_

SUMPS INSPECTED: ✓

## NOTICE

All barges cleaned for BASF will be inspected by Caleb Brett. The inspector will have paperwork for the Hercules foreman in charge to sign. The foreman will put two copies in the document mail box. One copy will stay in the mailbox and the captain of the tugboat that is picking up the barge will not be called until inspection is completed and documentation is in the mailbox. If any problems, BASF logistics representative must be contacted.

Date Inspected 9/25/96

Time in: 1900

Time out: 1930

Inspected By: Daniel L. Reese  
Caleb Brett

NO BASF BARGE THAT HAS BEEN CLEANED WILL BE RELEASED UNTIL CALEB BRETT HAS SIGNED THE RELEASE PAPERS. CALEB BRETT WILL BE GIVEN A COPY OF THIS FORM



# Inchcape Testing Services

Caleb Brett

## V I S U A L   T A N K   I N S P E C T I O N   R E P O R T

Vessel : ETT-115  
Port/Terminal: HERCULES/FREEPORT, TX  
Product/Cargo: CYCLOHEXANE

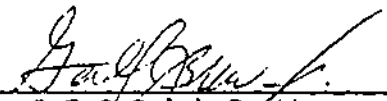
Your Reference:  
Our Reference: FP/96-2177  
Date : 10-8-96

Tank Number	1C	2C	3C
Tank Coating	MILD STEEL	MILD STEEL	MILD STEEL
First Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Second Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Third Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Visual Cleanliness Accepted *	ACCEPTED	ACCEPTED	ACCEPTED
Visual Cleanliness Rejected *	1840	1840	1840
Time/Date Inspected	10-8-96	10-8-96	10-8-96

Method said to have been used to clean tanks: CARGO TANKS & PIPELINES WERE STRIPPED, VENTED, BLOWN, VACCUMED OF LOOSE RUST. ALL TANKS WERE WASHED WITH COLD WATER, STRIPPED, AND BLOWN DRY FOR THIRTY MINUTES PER TANK.

Information regarding previous cargoes, tank coating and cleaning method was obtained from vessel personnel and cannot be guaranteed as accurate by Caleb Brett U.S.A., Inc. and no liability can be assumed for errors resulting from improper information supplied. This report, of necessity, is based on such information.

The cleanliness of inspected tank(s) is/are based on visual inspection of tank surfaces and line system at accessible areas only. This document does not cover the cleanliness of tank surfaces and line system at inaccessible spots and/or possible release of components of previous cargoes during loading, discharge or transport of the cargo in question, for which the vessel is fully responsible. Suitability of tank coating for intended cargo must be guaranteed by vessel's owner or by suppliers of the coating.

  
I T S-Caleb Brett

# Barge Clearing Report

JOB NO 5240 ETA \_\_\_\_\_  
BARGE NO ETT-115 DATE/TIME ARRIVAL 10-8-96 7:50 AM  
CUSTOMER BASF DATE/TIME START 10-8-96 8:00 AM  
PRODUCT CYCLOHEXANE DATE/TIME COMPLETE 10-8-96

AMOUNT STRIPPED 400

CLEANING INST. BY Robert Potts COMPLETION SCH. BY \_\_\_\_\_ OVERTIME AUTH. BY \_\_\_\_\_

BARGE INSP. BY Dunette DATE/TIME 4:30 PM RELEASED TO \_\_\_\_\_ DATE/TIME \_\_\_\_\_

DEEPWELL OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

BELOW DECK CARGO PIPELINE:

BLIND OPENED: YES ✓ NO \_\_\_\_\_ CLOSED BY Riviera NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

DECK CHECK VALVE OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

DECK HEADER BLINDS OPENED: YES ✓ NO \_\_\_\_\_ INSECTED BY CALEB BRETT \_\_\_\_\_

DECK HEADER DRAIN PLUG OPENED: YES ✓ NO \_\_\_\_\_ CLOSED BY Riviera

VAPOR RECOVERY HEADER OPENED: YES ✓ NO \_\_\_\_\_ CLOSED BY Cruz NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

RUST SCALE: YES ✓ NO \_\_\_\_\_ WASHED OUT \_\_\_\_\_ BUCKETED OUT \_\_\_\_\_

NUMBER OF CARGO TANKS 3 CONDITION OF CARGO VALVES G.O.D

SLOP TANK STRIPPED: YES N/A NO \_\_\_\_\_ DRIP PANS STRIPPED: YES ✓ NO \_\_\_\_\_

WEATHER: TEMP 83 RAIN \_\_\_\_\_ FOG \_\_\_\_\_ HUMIDITY \_\_\_\_\_ OVERCAST \_\_\_\_\_ CLOUDY \_\_\_\_\_ CLEAR ✓

PIPELINE WASHED: YES ✓ NO \_\_\_\_\_ PIPELINE BLOWN: YES ✓ NO \_\_\_\_\_ INSPECTED BY CALEB BRETT \_\_\_\_\_

BOW RAKE CHECKED: YES ✓ NO \_\_\_\_\_ STERN RAKE CHECKED: YES ✓ NO \_\_\_\_\_

VOIDS: YES ✓ NO \_\_\_\_\_ SAFETY EQUIPMENT USED: \_\_\_\_\_

SUMPS INSPECTED: ✓

## NOTICE

All barges cleaned for BASF will be inspected by Caleb Brett. The inspector will have paperwork for the Hercules foreman in charge to sign. The foreman will put two copies in the document mail box. One copy will stay in the mailbox and the captain of the tugboat that is picking up the barge will not be called until inspection is completed and documentation is in the mailbox. If any problems, BASF logistics representative must be contacted.

Date Inspected 10/8/96

Time in: 1825

Time out: 1850

Inspected By:

Nathan J. Conroy  
Caleb Brett

NO BASF BARGE THAT HAS BEEN CLEANED WILL BE RELEASED UNTIL CALEB BRETT HAS SIGNED THE RELEASE PAPERS. CALEB BRETT WILL BE GIVEN A COPY OF THIS FORM.



# Inchcape Testing Services

Caleb Brett

## V I S U A L   T A N K   I N S P E C T I O N   R E P O R T

Vessel : ETT-114  
Port/Terminal: HERCULES/FREEPORT  
Product/Cargo: 99.9% CYCLOHEXANE

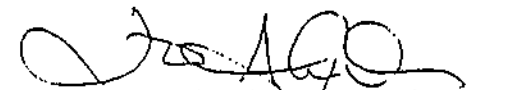
Your Reference:  
Our Reference: FP/96-2195  
Date : 10-10-96

Tank Number	1C	2C	3C
Tank Coating	MILD STEEL	MILD STEEL	MILD STEEL
Last Cargo	99.9% CYCLOHEXANE	99.9% CYCLOHEXANE	99.9% CYCLOHEXANE
Second Last Cargo	99.9% CYCLOHEXANE	99.9% CYCLOHEXANE	99.9% CYCLOHEXANE
Third Last Cargo	99.9% CYCLOHEXANE	99.9% CYCLOHEXANE	99.9% CYCLOHEXANE
Visual Cleanliness Accepted *	ACCEPTED	ACCEPTED	ACCEPTED
Visual Cleanliness Rejected *			
Time/Date Inspected	1540 10-10-96	1540 10-10-96	1540 10-10-96

Method said to have been used to clean tanks: ALL CARGO TANKS AND PIPELINES WERE STRIPPED & BLOWN. ALL CARGO TANKS WERE BLOWN BY WITH AIR FOR THIRTY MINUTES PER TANK AND VENTED FOR FOUR HOURS.

Information regarding previous cargoes, tank coating and cleaning method was obtained from vessel personnel and cannot be guaranteed as accurate by Caleb Brett U.S.A., Inc. and no liability can be assumed for errors resulting from improper information supplied. This report, of necessity, is based on such information.

The cleanliness of inspected tank(s) is/are based on visual inspection of tank surfaces and line system at accessible areas only. This document does not cover the cleanliness of tank surfaces and line system at inaccessible spots and/or possible release of components of previous cargoes during loading, discharge or transport of the cargo in question, for which the vessel is fully responsible. Suitability of tank coating for intended cargo must be guaranteed by vessel's owner or by suppliers of the coating.

  
I T S-Caleb Brett



### Barge Cleaning Report

JOB NO 5245 ETA -  
BARGE NO ET-114 DATE/TIME ARRIVAL 10-10-96 6:50 AM  
CUSTOMER BASF DATE/TIME START 10-10-96 7:00 AM  
PRODUCT CYCLOHEXANE DATE/TIME COMPLETE 10-10-96

AMOUNT STRIPPED 300

CLEANING INST. BY Robert Per COMPLETION SCH. BY                      OVERTIME AUTH. BY                     

BARGE INSP. BY Duarte DATE/TIME 2:30 PM RELEASED TO                      DATE/TIME                     

DEEPWELL OPENED: YES N/A NO        CLOSED BY                      NEW GASKET: YES        NO       

BELOW DECK CARGO PIPELINE:

BLIND OPENED: YES ✓ NO        CLOSED BY Rivera NEW GASKET: YES        NO       

DECK CHECK VALV OPENED: YES N/A NO        CLOSED BY                      NEW GASKET: YES        NO       

DECK HEADER BLINDS OPENED: YES ✓ NO        INSECTED BY CALEB BRETT                     

DECK HEADER DRAIN PLUG OPENED: YES ✓ NO        CLOSED BY Duarte

VAPOR RECOVERY HEADER OPENED: YES ✓ NO        CLOSED BY Duarte NEW GASKET: YES        NO       

RUST SCALE: YES ✓ NO        WASHED OUT                      BUCKETED OUT                     

NUMBER OF CARGO TANKS 3 CONDITION OF CARGO VALVES Good

SLOP TANK STRIPPED: YES N/A NO        DRIP PANS STRIPPED: YES ✓ NO       

WEATHER: TEMP 80 RAIN        FOG        HUMIDITY        OVERCAST        CLOUDY        CLEAR ✓

PIPELINE WASHED: YES        NO ✓ PIPELINE BLOWN: YES ✓ NO        INSPECTED BY CALEB BRETT                     

BOW RAKE CHECKED: YES ✓ NO        STERN RAKE CHECKED: YES        NO       

VOIDS: YES ✓ NO        SAFETY EQUIPMENT USED:                     

SUMPS INSPECTED: ✓

### NOTICE

All barges cleaned for BASF will be inspected by Caleb Brett. The inspector will have paperwork for the Hercules foreman in charge to sign. The foreman will put two copies in the document mail box. One copy will stay in the mailbox, and the captain of the tugboat that is picking up the barge will not be called until inspection is completed and documentation is in the mailbox. If any problems, BASF logistics representative must be contacted.

Date Inspected 10/10/96

Time in: 1530

Time out: 1535

Inspected By: Arthur Deufsey  
Caleb Brett

NO BASF BARGE THAT HAS BEEN CLEANED WILL BE RELEASED UNTIL CALEB BRETT HAS SIGNED THE RELEASE PAPERS. CALEB BRETT WILL BE CONTACTED IF ANY PROBLEMS.



# Inchcape Testing Services

Caleb Brett

## V I S U A L   T A N K   I N S P E C T I O N   R E P O R T

Vessel : ETT - 110  
Port/Terminal: Hercules Shipyard/Freeport  
Product/Cargo: Cyclohexane

Your Reference:  
Our Reference: FP/96-2203  
Date : 10-11-96

Tank Number	1C	2C	3C
Tank	MILD	MILD	MILD
Coating	STEEL	STEEL	STEEL
Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Second Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Third Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Visual Cleanliness Accepted *	ACCEPTED	ACCEPTED	ACCEPTED
Visual Cleanliness Rejected *			
Time/Date Inspected	1420 10-11-96	1420 10-11-96	1420 10-11-96

Method said to have been used to clean tanks: All cargo tanks & pipelines were stripped and blown, stripped of chemicals and blown dry for thirty minutes per tank and forty minutes for pipeline, and ventilated for four hours.

Information regarding previous cargoes, tank coating and cleaning method was obtained from vessel personnel and cannot be guaranteed as accurate by Caleb Brett U.S.A., Inc. and no liability can be assumed for errors resulting from improper information supplied. This report, of necessity, is based on such information.

The cleanliness of inspected tank(s) is/are based on visual inspection of tank surfaces and line system at accessible areas only. This document does not cover the cleanliness of tank surfaces and line system at inaccessible spots and/or possible release of components of previous cargoes during loading, discharge or transport of the cargo in question, for which the vessel is fully responsible. Suitability of tank coating for intended cargo must be guaranteed by vessel's owner or by suppliers of the coating.

  
I T S-Caleb Brett

# Barge Cleaning Report

JOB NO \_\_\_\_\_ ETA \_\_\_\_\_  
BARGE NO Ett-110 DATE/TIME ARRIVAL 10-10-96 = 7:45  
CUSTOMER BASF DATE/TIME START 10-11-96 = 8:30 AM  
PRODUCT CYCLOHEXANE DATE/TIME COMPLETE 10-11-96 = 3:30 PM  
AMOUNT STRIPPED 300

CLEANING INST. BY Robert Perry COMPLETION SCH. BY \_\_\_\_\_ OVERTIME AUTH. BY \_\_\_\_\_

BARGE INSP. BY DAVE DATE/TIME 2:30 RELEASED TO \_\_\_\_\_ DATE/TIME \_\_\_\_\_

DEEPWELL OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

BELOW DECK CARGO PIPELINE:

BLIND OPENED: YES ☒ NO \_\_\_\_\_ CLOSED BY CASAS NEW GASKET: YES \_\_\_\_\_ NO ☒

DECK CHECK VALVE OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW GASKET: YES \_\_\_\_\_ NO \_\_\_\_\_

DECK HEADER BLINDS OPENED: YES ☒ NO \_\_\_\_\_ INSECTED BY CALEB BRETT \_\_\_\_\_

DECK HEADER DRAIN PLUG OPENED: YES ☒ NO \_\_\_\_\_ CLOSED BY CASAS

VAPOR RECOVERY HEADER OPENED: YES ☒ NO \_\_\_\_\_ CLOSED BY CYU2 NEW GASKET: YES \_\_\_\_\_ NO ☒

RUST SCALE: YES ☒ NO \_\_\_\_\_ WASHED OUT \_\_\_\_\_ BUCKETED OUT \_\_\_\_\_

NUMBER OF CARGO TANKS 3 CONDITION OF CARGO VALVES GOOD

SLOP TANK STRIPPED: YES N/A NO \_\_\_\_\_ DRIP PANS STRIPPED: YES ☒ NO \_\_\_\_\_

WEATHER: T MP 85 RAIN \_\_\_\_\_ FOG \_\_\_\_\_ HUMIDITY \_\_\_\_\_ OVERCAST \_\_\_\_\_ CLOUDY \_\_\_\_\_ CLEAR \_\_\_\_\_

PIPELINE WASHED: YES \_\_\_\_\_ NO ☒ PIPELINE BLOWN: YES ☒ NO \_\_\_\_\_ INSPECTED BY CALEB BRETT \_\_\_\_\_

BOW RAKE CHECKED: YES ☒ NO \_\_\_\_\_ STERN RAKE CHECKED: YES ☒ NO \_\_\_\_\_

VOIDS: YES ☒ NO \_\_\_\_\_ SAFETY EQUIPMENT USED: \_\_\_\_\_

SUMPS INSPECTED: ☒

## NOTICE

All barges cleaned for BASF will be inspected by Caleb Brett. The inspector will have paperwork for the Hercules foreman in charge to sign. The foreman will put two copies in the document mail box. One copy will stay in the mailbox, and the captain of the tugboat that is picking up the barge will not be called until inspection is completed and documentation is in the mailbox. If any problems, BASF logistics representative must be contacted.

Date Inspected 10/11/96

Time in: 1405

Time out: 1435

Inspected By: Nathan Duffsey  
Caleb Brett

NO BASF BARGE THAT HAS BEEN CLEANED WILL BE RELEASED UNTIL CALEB BRETT HAS SIGNED THE RELEASE PAPERS. CALEB BRETT WILL BE GIVEN A COPY OF THIS FORM.



# Inchcape Testing Services

Caleb Brett

## V I S U A L   T A N K   I N S P E C T I O N   R E P O R T

Vessel : ETT-112  
Port/Terminal: HERCULES/FREEPORT, TX  
Product/Cargo: 99.9% CYCLOHEXANE


Your Reference:  
Our Reference: FP/96-2445  
Date : 11-14-96

Tank Number	1C	2C	3C
Tank Coating	MILD STEEL	MILD STEEL	MILD STEEL
Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Second Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Third Last Cargo	CYCLOHEXANE	CYCLOHEXANE	CYCLOHEXANE
Visual Cleanliness Accepted *	ACCEPTED	ACCEPTED	ACCEPTED
Visual Cleanliness Rejected *			
Time/Date Inspected	1250 / 11-14-96	1250 / 11-14-96	1250 / 11-14-96

Method said to have been used to clean tanks: ALL CARGO TANKS AND PIPELINE WERE STRIPPED, PIPELINE WAS BLOWN FOR TWO HOURS AND CARGO TANKS WERE VENTED FOR FOUR HOURS.

Information regarding previous cargoes, tank coating and cleaning method was obtained from vessel personnel and cannot be guaranteed as accurate by Caleb Brett U.S.A., Inc. and no liability can be assumed for errors resulting from improper information supplied. This report, of necessity, is based on such information.

The cleanliness of inspected tank(s) is/are based on visual inspection of tank surfaces and line system at accessible areas only. This document does not cover the cleanliness of tank surfaces and line system at inaccessible spots and/or possible release of components of previous cargoes during loading, discharge or transport of the cargo in question, for which the vessel is fully responsible. Suitability of tank coating for intended cargo must be guaranteed by vessel's owner or by suppliers of the coating.

  
I T S-Caleb Brett

# BARGE CLEANING REPORT

JOB NO. 5303  
 BARGE NO. FT-112  
 CO. BASE  
 PRODUCT CHLOROLANE

ETA \_\_\_\_\_  
 DATE/TIME APPROVAL 11-13-96  
 DATE/TIME STARTED 11-13-96  
 DATE/TIME COMPLETED 11-14-96

AMOUNT STRIPPED 200

CLEANING INSTRUCTION BY: Peters  
 COMPLETION SCHEDULE BY: Peters  
 OVERTIME AUTHORIZED BY: \_\_\_\_\_  
 BARGE INSPECTED BY: Charles R. Riecke DATE/TIME: 11-14-96 11:30 AM  
 BARGE RELEASED TO: BROW CANAL DATE/TIME: \_\_\_\_\_  
 DECKWELL OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW CASKEY YES \_\_\_\_\_ NO \_\_\_\_\_  
 BELOW DECK CARGO PIPELINE: BLIND OPEN YES \_\_\_\_\_ NO ✓ CLOSED BY \_\_\_\_\_ NEW CASKEY YES \_\_\_\_\_ NO \_\_\_\_\_  
 DECK CHECK VALVE OPENED: YES N/A NO \_\_\_\_\_ CLOSED BY \_\_\_\_\_ NEW CASKEY YES \_\_\_\_\_ NO \_\_\_\_\_  
 DECK HEAD 1 BLINDS OPEN: Yes INSPECTED BY CALLED BERTT \_\_\_\_\_  
 DECK HEADER BRUSH PLUG OPEN: YES ✓ NO \_\_\_\_\_ CLOSED BY CRJ2  
 VAPOR RECOVERY HEADER OPENED: YES ✓ NO \_\_\_\_\_ CLOSED BY CASAS NEW CASKEY YES \_\_\_\_\_ NO \_\_\_\_\_  
 RUST SCALE: YES ✓ NO \_\_\_\_\_ WASHED OUT \_\_\_\_\_ BUCKETED OUT \_\_\_\_\_  
 NUMBER OF CARGO TANKS 3  
 CONDITION OF CARGO VALVES Good  
 STOP TANK STRIPPED: YES N/A NO \_\_\_\_\_  
 DRIP PANS STRIPPED: YES ✓ NO \_\_\_\_\_  
 WEATHER: TEMP 90 RAIN \_\_\_\_\_ FOG \_\_\_\_\_ HUMIDITY \_\_\_\_\_ OVERCAST \_\_\_\_\_ CLOUDY ✓ CLEAR ✓  
 PIPELINE WASHED: 20 PIPELINE BLOWN Yes INSPECTED BY CALLED BERTT \_\_\_\_\_  
 BOW PACE CHECKED: YES ✓ NO \_\_\_\_\_ STEER PACE: YES ✓ NO \_\_\_\_\_  
 VOIDS: YES ✓ NO \_\_\_\_\_ SAFETY EQUIPMENT USED: \_\_\_\_\_  
 SIGNATURE: [Signature]

## NOTICE

All barges cleaned for BCF will be inspected by Caleb Riecke. The inspector will have paperwork for the Hercules foreman in charge to sign. The foreman will put one copy in the document mail box. One copy will stay in the mailbox, and the captain of the tugboat that is picking up the barge will not be called until inspection is completed and documentation is in the mailbox. If any problems, BCF Logistics representative must be contacted.

Inspected 11/14/96

1230

1305

Inspector by [Signature]

NO BARGE RELEASED UNLESS BARGE HAS BEEN CLEANED WITH NO RELEASED UNDER CALLED BERTT IF BARGE IS NOT CLEANED CALLED BERTT WILL BE CALLED A COPY OF BARGE REPORT.